A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

September 23, 1968

U.S. prospects in today's German economic rebound

Secretary Smith blames wage-productivity gap as trade drain factor

Agribusiness exports charted by industry, government

International Trade Winds

Company News

FOOD SERVICE EQUIPMENT—Jet Spray International Corp., Waltham, Mass., has licensed Indelec, Santiago, Chile, to manufacture and distribute Jet Spray beverage dispensers in Chile. Indelec will market and service the Jet Spray coolers from regional offices in Arica, Santiago, Valparaiso, and Concepcion. The latest agreement follows by several months of similar licensing arrangement signed by Jet Spray with a Mexican firm.

ENGINEERING—Rader and Associates Miami, Fla., in a joint venture with its Panamanian subsidiary, Rader-Andreve y Rena, has completed a contract valued at $2.5 million for engineering services connected with the widening of a 5.2 mile section of road in Panama. The widening will improve a bottleneck section of the Trans-Isthmian highway, and will relieve some of downtown Panama City's increasing traffic congestion.

RUBBER PRODUCTS—B. F. Goodrich Co., Akron, Ohio, and Ampol Petroleum, Ltd., Australia, have reached an agreement under which Ampol will sell to B. F. Goodrich its shares in B. F. Goodrich Australia, Pty., Ltd. The Australian tire manufacturing company, located near Melbourne, was established in 1959. The sale will bring the U.S. parent firm's ownership of the Australian company to nearly 95%. BFG Australia has increased its production facilities by nearly 80% during the past two years, and now makes auto, truck, farm, and large off-the-road tires for earthmoving equipment, as well as adhesives and retread materials.

INDUSTRIAL TUBING—Mecano-Bundy, G.m.b.H., Heidelberg, Germany, an affiliate of Bundy Corp., Detroit, has completed construction of its new facility to manufacture integrally finned tubing and complete assemblies using the new tubing. The finned tubing, a recent development, will be used for auto air conditioners and other heat exchanger applications. The German firm is 40% owned by Bundy Corp., and is the major supplier of Bundyweld small diameter tubing for the automobile industry in Germany. Bundy now has 22 manufacturing affiliates and licensees in 18 countries.

Newsletter

When in Rome do as the . . . Americans . . . do! Massachusetts-based Chesterton Packing & Seals, successful with its U.S. training schools for distributors and salesmen, is taking a school to Rome in December, for European, African, Near Eastern and Far Eastern distributors. There will be simultaneous translations in three languages, and pumps and hydraulic equipment shipped from the U.S. as working models for the students. Chesterton already has 400 distributors in 59 nations selling its mechanical packing and mechanical seals.

Welcome to the Miami International Merchandise Mart, opening Oct. 6 with a Southern Apparel show that aims to draw key buyers from the lands south and east of Florida. The new $10 million showcase will build interest in its international presentations with promotions concentrated in Mexico, Central and South America, and the Caribbean. In effect a wholesale shopping center for both domestic and international sales, it is designed to be expanded to 3 million square feet under roof, and thus help South Florida's exports grow—and grow with them.

Split-level and between-shows, but otherwise right on the mark. It happened at the Tokyo U.S. Trade Center in late August, when the center's first and second floors were not booked for full-size trade shows. Muromachi Kagaku Kogyo Kaisha, Ltd., took the first floor for ten U.S. manufacturers of printed cicuitry equipment it represents, and Hakuto Co., Ltd., used the floor upstairs for Universal Instruments Corp, of Binghamton, N.Y. Result: $175,000 in off-floor sales and estimates of $1,225,000 in further sales over the next year.

One item shown to buyers at these shows was the largest photo etching machine ever to be seen in Japan, produced by DEA Products, Tempe, Ariz. DEA's president says his company's sales have grown tenfold in Japan since DEA started using the facilities of the Tokyo U.S. Trade Center.

The State Department's Covey T. Oliver suggests these subjects for quiet help by U.S. businessmen to their Latin American associates: modernization of market processes to end restrictive practices, buildup of private philanthropy, long-range research by business, retirement systems, customer relations, quality control, systems management, continent-wide integration, broader stock ownership, interest in common welfare, and decentralizing responsibilities.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

A major foreign trade address by Commerce Secretary C. R. Smith, an Industry-Government meeting in Washington on cooperation in an important world trade area, and a recent report on prospects in one of the United States' most significant overseas markets highlight this week's issue. Secretary Smith's remarks, emphasizing the role of inflation in current U.S. trade problems, begin on page 2; a report on the meeting of the Agribusiness Industry Advisory Committee starts on page 4, and the latest Economic Trends Report on Germany appears on page 10.

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SECRETARY'S VIEW:

Pricing adds to trade drain

U.S. wage-cost-productivity gap seen in current situation; no 'easy way out' prescribed

By C. R. SMITH
Secretary of Commerce

In most recent years our international trade accounts have produced a substantial surplus, exports running well ahead of imports. This surplus, these funds from sales abroad, have helped to pay for our direct investments overseas, for the importation of needed materials, for our travel abroad, for economic aid and for some part of our defense costs.

C. R. SMITH

Today, we see our trade balance slipping away. In recent months we have had to worry, not always about the amount of the surplus, but, often, about whether there would be a surplus.

Our exports have continued to grow. If we look at the export figures alone, they show good gains. For the five years from 1962 to 1967, the average increase was $2 billion a year. The average growth rate was 8.1%. But, isolate the most recent year, 1967, and the gain is only 5.3%. Hopefully, this could result from fluctuations. But we cannot be sure; it could be the beginning of a downward trend, which could continue.

Turning to imports, the growth rate has been shockingly high. 1966 was 20% above 1965. 1967 was 5% higher than 1966. For the first six months of 1968, imports are 20% ahead of the same period in the preceding year, 1967.

Imports hurt balance

One explanation for our increasing demand for imports is that our national prosperity has raised our purchasing power, our standard of living and the standard of our wants and expectations. We have been spending a high percentage of our income for products produced abroad. Obviously, this great increase in willingness to buy from others is, at this time, the principal problem in balancing our trade accounts.

Some seek to shrug off this trend, with the assumption that higher taxes here will reduce the demand which brought about these imports. Higher taxes will reduce our ability to pay for imports and perhaps dampen our desires.

But, when you analyze the content of our imports, you discover that a high percentage involves products produced in our own country; good products, produced in great quantity. Often, the foreign product has good quality and at the same time a lower price. While we are doing our best to increase exports, producers from abroad are invading our domestic markets, and are doing well in some areas, with good quality and lower prices. This is not likely to be remedied entirely by higher domestic taxation. This can be remedied only on a basis of ability to compete on even terms, even terms on quality and even terms on prices.

Many believe that export trade is complicated and different. They believe that it is actuated by factors not found in the domestic markets. This, of course, is a myth. There are problems of customs and tariffs, but they are not difficult to understand, and we have tariffs and customs duties of our own. Tariffs and custom duties are not often the principal determinant where trade will flow.

Two prime requirements

Dig below the surface of the export trade and you will find that the requirements for success involve factors with which you are well acquainted, principally quality and price. In all forms of trade, whether it is domestic or overseas, if two products have equal quality the product with the lower price will usually make the sale.

Take a backward look at the Japanese situation. For a long time before the war prices for Japanese exports were low, often quite low. Quality was not there. Japanese products were often described as "shoddy." Japan did not then have a strong position in world markets, or in our own market, because one of the essential elements was missing, that of quality.

This article is adapted from the Sept. 12 address of Secretary Smith to the Chicago Council of Foreign Relations, the International Trade Club of Chicago and the Milwaukee and Chicago Regional Export Expansion Councils.

The Japanese have given their attention to quality, and their situation has changed. Today, a high percentage of their exports are of good quality and, in the usual case, an inducement in price. Today, Japan is a world trader of importance. It has one of the highest rates of export growth in the world.

The rules are no different for us; unless we can compete in export markets on the basis of quality and price, we will not be a strong trading nation.

Price problems

Our problem is not quality; American products, on the whole, are known for their excellence. But, in the area of price, we have problems, many of them. We are pricing ourselves out of many world markets.

Prices, of course, are determined by costs and costs include materials, unit labor costs and profit. In the usual case we have no handicap in the cost of materials. There are exceptions but there are also areas of advantage to us. Profits in world trade are kept in bound by the competition existing. It is in the area of unit costs that we find difficult comparisons.

Our annual increases in productivity have been sliding downward. From 1961 to early 1966, the annual increase in output per man-hour was above the long term trend of 3.5%. From the first quarter of 1966 to the first quarter of 1968, the increase slowed to a sluggish rate of 1.5% a year. In manufacturing, for the same period, it fell to less than one percent.

Wages and salaries have been going up, at a rate higher than our gains in productivity. In recent years there has been a widening in the gap between wage increases and productivity increases. We have had a strong dose of inflation and it is continuing, although, hopefully, it is slackening in response to President Johnson's tax bill. Inevitably, we have had higher costs and higher prices.

Higher prices have two effects on our trade balance:

► They tend to decrease exports, because our prices are less competitive;

► They tend to increase imports, because our competitors can undersell us in some of our domestic markets.

Some look for an easy way out. They are wasting their time; there is no nostrum for this situation. Whenever we look and wherever we look, we come back to the same conclusion: if we are to succeed in world trade we must be and remain competitive, in quality and in price. Our world trade position is being seriously damaged by the wage-price spiral in which we are engaged.

We talk much about wage levels. We talk too little about productivity. When we do discuss it, we find that our increases in productive efficiency are less than those for the average of our competitors. For the general products of commerce, how can you have higher wages, lower productive gains and competitive prices in world markets? I know of no one who can answer that question.

Reverse trends

Some of our producers seem willing to forsake international competition, to pull back and rely upon the domestic market. Some of them want a high percentage of the domestic market fenced off with trade quotas and protected from all forms of overseas competition. That may appear to be the easy way. But, if you are acquainted with the history of commerce and trade, and the history of the development of nations, that is not the way to build a strong trading nation, or even a strong nation.

We went in that direction some thirty years ago, with disastrous results. Beginning with a plea for protection for a limited number of agricultural products, Congress ended up with some eight hundred restrictions, and the Smoot-Hawley Tariff Act was born. We had world-wide trade wars and world trade ended up in shambles.

Protectionist quotas to limit imports should be resisted. They tend to support inefficient production. They tend to raise prices, for domestic consumption and for export. They invite retaliation. They limit and reduce the overall level of world trade. They serve no nation well, because they are counter-productive.

Government role

What can the government do to aid our foreign trade? It can do much and it is doing much. Here are some examples:

In August the Department of Commerce established a Joint Export Association program to provide market services to present our potential exporters unable to finance an initial effort on their own. The plan is simple: we will contract with groups of firms to develop market and promotional activities abroad, and we will pay a part of the cost, in some cases as much as one half. We have earmarked $750,000 for this program, to get it started. If it is successful, and it should be, we are hopeful that more will be available next year. Trade associations and groups of firms can, under this program, learn the techniques of trading abroad, at minimum risk. Smaller companies in particular can team up and enter the export business together.

Importance of credit

In addition to price, terms of payment are important in export trade. Government and business must find new ways to improve the financing of exports, giving U.S. firms a better competitive opportunity. We have several studies going in this area, with private institutes. Last week the Bankers Association for Foreign Trade recommended a program for better financing the export of jet airplanes, with funds obtained from banks and other financial institutions, with guarantees by the Export-Import Bank. Our opportunity to export planes is good; it will be better with more advantageous financing terms.

During this year Congress extended the charter for the Export-Import Bank and increased its lending authority by 50%, from $9 billion to $13.5 billion. Congress also earmarked a special fund of $500 million for loans and guarantees in higher risk areas. President Johnson said: "this measure will add a new dimension to the efforts of the Export-Import Bank to serve the American business community and to increase the flow of commerce overseas."

Major stimulant

Under the new authorization, the Export-Import Bank should be able to stimulate *more than $500 million* in new financing, by a combination of loans, guarantees and insurance. The new Export Expansion Advisory Committee, established to advise Export-Import Bank, is at work and has already participated in loans under the new authorization.

The second phase of the Kennedy Round tariff reductions became effective in July. The United States and its exporters will be the major beneficiaries.

We are doing well in the reduction of tariffs. We must tackle more aggressively the non-tariff barriers. Now is the time to hack away at the underbrush of quotas, licensing, special taxes and procurement policies which discriminate against U.S. products. We believe in further freedom in world trade. But freedom in trade is not a one-way street. We hope to have our trading partners dismantle some of their obstructions. If they do not, we must, in our own interest, take countervailing action. Free trade is not free trade unless the trading opportunities are equal.

Last month the Department of Commerce liberalized the licensing of exports to the free world. You can now have a single, one-year license for a variety of products. The new license will be available to firms that have been exporting to Japan, Australia and to Western Europe.

These are some of the things we are doing to create a healthy climate for international trade. From time to time there will be additions. Foreign trade, more foreign trade is essential. We have problems but they are not insoluble. With your help, we will continue to go ahead.

Savannah to host Georgia Foreign Trade Conference

The old port town of Savannah will be the scene of the Third Annual Georgia Foreign Trade Conference to be held Oct. 3-4 at the Savannah Inn and Country Club. Featured events will be a panel discussion and addresses. Tours of historic Savannah and the Savannah harbor will highlight the two day conference.

The sponsors of the conference include:

Commerce Field Office, Regional Export Expansion Council, the Savannah Area Chamber of Commerce, Georgia Ports Authority, Savannah Maritime Association, the Propellor Club of the United States, Savannah Traffic Club, Independent Freight Forwarders and Custom Brokers Association of Savannah, the Savannah Port Authority, and the Small Business Administration.

International trade courses scheduled

Three courses on international trade are being offered by Long Island University in Brooklyn this fall.

Planning and Organizing for International Trade will run seven consecutive Wednesday evenings beginning Oct. 9; International Business Marketing-Management will be held eight consecutive Tuesdays starting Oct. 22; and a documentation course will run eight consecutive Thursdays beginning Oct. 24.

The courses are sponsored by the Commerce Department New York Field Office, the New York Regional Export Expansion Council, and the College of Business Administration, Long Island University.

For further information **write:** Prof. Harry Stucke, College of Business Administration, Long Island University, Zeckendorf Campus, Brooklyn, N.Y. 11201.

Blue ribbon agribusiness industry group meets with Federal leaders, sees opportunity in emerging lands

Some 20 businessmen consider Joint Export Associations, consortia, trade missions and farm service centers

Increasing opportunities for developing U.S. agribusiness exports and trade-related investments abroad are found today in most of the world's developing nations, as well as in the developed countries, a blue-ribbon industry advisory committee representing large, medium, and small firms has agreed.

The 27-man Agribusiness Industry Advisory Committee, meeting with representatives of the U.S. Departments of Commerce and Agriculture also considered utilizing government-suggested ways and techniques to expand agribusiness trade overseas through participation in Commerce's new Joint Export Association program, use of farm service centers in developing countries, and formation of agribusiness trade missions to sell products and provide training and services. The businessmen in turn made suggestions that asked for assistance in:

- selection of specific projects and more information on short-term targets, such as setting priorities, opportunities in financing, planning pilot ventures in several countries;
- providing better communications to the agribusiness community of Government and private business action programs in this field;
- working toward elimination of restrictions hampering U.S. exports.

Government speakers also stressed the necessity of improving business environment in the developing countries to create an expanded market for farm machinery and food processing and transportation equipment. In the long run, the speakers indicated, this would provide a durable export market for the United States.

Export increases

Joseph W. Bartlett, Under Secretary of Commerce, discussed the rapid rate of increase in agribusiness exports between 1962 and 1967—80%.

"Two factors argue that even this rapid rate of increase may be stepped-up in the future. First, the large number of developing countries that have reached or are reaching the stage of production sophistication where their needs for agribusiness equipment and materials are urgent, and second, the tendency for the demand of these commodities to grow rapidly once the developing country has reached the take-off stage."

Working relationship

Assistant Secretary of Commerce for Domestic and International Business Lawrence C. McQuade outlined the working relationship of the Agribusiness Industry Advisory Committee and the Agribusiness Council: "At this time we cannot be specific as to how the two organizations will work together, but cooperative, complementary activities have already started, and there is every reason to expect a continuation and expansion of fruitful relationships in the future."

Regarding the reality of the agribusiness export potential, McQuade said, "The point has been made that, although at present agribusiness exports constitute a relatively small part (about 4%) of our total exports, they are destined because of their rapid and continuing growth to become much more important in the future."

JEA program

Commerce's Deputy Assistant Secretary for Resources and committee co-chairman Stanley Nehmer described the Joint Export Association (JEA): "The newest facility in the Department of Commerce line-up of export promotion aids is the Joint Export Association. In this effort we have admittedly stolen a page from the Department of Agriculture market development programs. With its program USDA has done so well, we thought we should 'go and do likewise'."

The JEA program offers cooperation and financial assistance from the U.S. government to groups of manufacturers joining together to sell abroad. The Government shares up to 50% of cost of any one project of overseas market development such as advertising and publicity; participation in trade exhibitions; market research; supplying samples and technical data; training of sales and service personnel; and various others. In this way, JEA's provide the means for planned, long-term development of selected export markets.

Consortia

Nehmer also discussed the agricultural development consortium. He suggested that "The consortium is, in essence, simply a kind of joint venture. Frequently the systems approach is involved, data processing equipment is used, and model building may be part of the technique. Basically, however, a consortium is the joining together of complementary and usually non-competing corporate entities to provide the financial, managerial, and technical requirements necessary to accomplish a given agribusiness undertaking."

As an example of subcontracting by one company to meet agribusiness input requirements, Nehmer cited the contract recently negotiated by a Swiss chemical firm with the Government of Indonesia. The company has developed a technique for exploiting the market for agricultural chemicals in Indonesia which is consortium-like in its capabilities but differs in that only one company is involved in negotiations and contracting. The company will supply insecticides, fertilizers and equipment to increase rice production in three areas of Java. The company will provide agronomists to supervise the work and trucks and jeeps to transport commodities and people.

Farm service centers

In describing the farm service centers in the rural United States, Nehmer told how they "just grew"in response to the needs of the farming community.

"These same kinds of needs exist in the low income nations and many students of agricultural development feel that farm service centers would go far toward filling the gap. In addition to buying and selling functions, it is believed that farm service centers can be so organized as to provide educational programs, credit facilities, storage operations, and machinery repair capabilities."

Agribusiness trade missions

Nehmer also described agribusiness trade missions, saying that a "new component must be brought into the picture, a component that involves the provision of greater amounts of technical assistance by the input supplier.

"There are several ways in which sales and science can be combined in our trade

promotion programs, and agribusiness trade missions, conceived to explore with national leaders the ways in which the agribusiness commodities we have to sell can contribute to the growth of their economy, is one which we believe has great potential.

"Through such missions two elements could be stressed: (1) a specialization on agribusiness and (2) the firm commitment to provide training and service in every sale of agribusiness commodities. The company that shows his customer how to do his job better 'locks in' the customer for the future. The present drive in many LDCs toward agricultural diversification provides an especially favorable environment for this concept."

Increased exports

Secretary of Agriculture Orville L. Freeman called attention to the increase of agricultural exports from $3.7 billion in 1959 to an average value of $6.6 billion during the past three fiscal years—a gain of 78%.

"I think this export success story should be of particular interest to this committee," he said, "because it demonstrates that it is possible for Government and private industry to work as a team in getting a job done.

"An important part of the success in expanding our agricultural exports can be attributed to the foreign market development program in which the Department of Agriculture and more than 60 nongovernmental agricultural trade groups are carrying out jointly-funded export promotion projects in the principal markets of the world."

Other government representatives included: Secretary of Commerce C. R. Smith; Mrs. Dorothy H. Jacobson, Assistant Secretary of Agriculture for International Affairs; and Martin E. Abel, Deputy Assistant Secretary of Agriculture for International Affairs and co-chairman of the committee.

Long-term program

Steps were taken by the Committee to set up a long-term working program, to appoint a steering committee and working committees to give leadership to the work, and to meet again later in 1968 or in early 1969.

Committee members in attendance were:

William Beers, president, National Dairy Products Corp., New York; Charles W. Call, Jr., president and chief executive officer, Ward Foods, New York; D. Kenneth Christensen, chairman of the board, Northrup, King & Co., Minneapolis; George L. Clements, chairman, board of directors and chief executive officer, Jewel Companies, Melrose Park, Ill.; Owen Cooper, president, Mississippi Chemical, Yazoo City, Miss.; Charles S. Dennison, vice president, International Minerals & Chemical, New York; John P. Duncan, Jr., manager, Southern Railway System, Washington, D.C.; C. Coleman Fisher, vice president, Mobile Chemical International, New York; John Graflund, vice president, Deere & Co., Moline, Ill.; William J. Jensen, vice president and general manager, Butler Mfg., Kansas City, Mo.; Robert D. McEvers, vice president and general manager, Union Tank Car Co., Chicago; Robert McLellan, vice president, FMC International, San Jose, Calif.;

Harold W. McMillen, chairman of the board, Central Soya Co., Fort Wayne; Lee L. Morgan, executive vice president, Caterpillar Tractor Co., Peoria, Ill.; John T. Phillips, Jr., president, Lilliston Corp., Albany, Ga.; Wayne Richardson, Jr., president, Hawaiian Agronomics Co., Honolulu; Robert Stuart, president and chief executive officer, National Can Corp., Chicago; Donald O. Swan, president Esso Chemical Co., New York; Jonathan S. Tobey, technical director, agriculture, Chase Manhattan Bank, New York; and Richard H. Wellman, vice president and general manager of agricultural products, Union Carbide, New York.

Sudan to buy farm machines with World Bank assistance

A systematic plan for the development of mechanized farming on rain-fed land will be initiated by the Sudan with the assistance of a World Bank loan equivalent to $5 million.

The Government has established a semi-autonomous agency, the Mechanized Farming Corporation, to carry out the new scheme. Equipment and machinery purchased by the Corporation for its own use and for sale to farmers will be procured on the basis of international competitive bidding.

The first project is in the Sim Sim area, comprising about 623,000 acres, which has favorable soils and rainfall. The Bank loan will finance the foreign exchange costs of the first four-year phase of the Sim Sim scheme.

At this stage, about 140 farms encompassing some 145,000 acres will be established in a virtually uninhabited and uncultivated section of the Sudan's central plains. Farmers will grow sorghum, the country's staple food, sesame for export, and cotton for local textile mills. At full development participating farmers should be able to earn an annual income of more than $3,000. The project will provide valuable data and experience for planning subsequent phases of the mechanized farming program.

Survey of Current Business now in 48th year

The *Survey of Current Business*, a monthly Commerce Department publication, contains timely articles analyzing developments in the business situation and outlook. It is the official source of statistics on gross national product, national income and the U.S. balance of payments. Each issue contains 2,500 series of statistical indicators covering the range of commercial, industrial, and financial activity.

Annual subscription, including weekly statistical supplements, is priced at $9, and may be ordered from: Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

NRA officers plan foreign market trips

The National Renderers Association has scheduled several overseas market development trips by its officers and executive personnel this fall to Europe, the Middle East, and the Far East.

In the European market, NRA President Stanley Frank and Bernard L. Bradley, NRA European Director headquartering in Rome, will contact feed manufacturers in West Germany and attend the Third European Poultry Congress being held this year in Israel. The NRA representatives will also confer with officials of the European Common Market and the Italian government in an effort to ease regulations affecting both U.S. and European renderers.

In the Middle East, Gene Hopton and William Hatch, NRA First Vice President and Foreign Agriculture Service representative, respectively, will visit Turkey and Iran to survey changing market opportunities in that area. They also expect to visit India and Pakistan, with a view to future increase of U.S. tallow purchases.

In the Far East, NRA's Director of Technical Services, Dr. O. H. M. Wilder, will confer, by invitation, with the Japanese Ministry of Agriculture regarding contemplated establishment of specifications of feed grade animal fat. Dr. Wilder will also address the Philippine Society of Animal Industry at their convention in Manila Sept. 12-14, and is scheduled to participate in seminars in Korea and Taiwan.

N.J. containership service firm, Florida machinery maker receive 'E' awards for expanding exports

Sea-Land introduced container concept in many areas; Automated Building Components proved economy of methods

Presidential "E's" for export expansion have been awarded to a Florida manufacturer of heavy equipment used in assembling wooden prefabricated building trusses, and a New Jersey containerized shipping service.

Automated Building Components, Inc. (ABC) of Miami earned its "E" award by introducing overseas a new method of assembling prefabricated wooden building components, using its heavy machinery. The company employed extensive market research, direct company contact with customers, and trade fair participation to accomplish this.

ABC provides a system for reducing construction costs and reintroducing timber as a competitive method of providing structural portions of buildings.

To introduce the equipment to a new market, the company participates in overseas exhibitions. Company personnel attend these exhibitions to answer questions and obtain names and addresses of prospective customers and governmental authorities interested in further information about Automated Building's component system.

Distribution of ABC's equipment overseas is handled exclusively on a direct basis. No local representatives or agents are employed, and company personnel make all contacts and sales. This has been considered necessary because of the highly technical aspect of the process and the need for sales personnel with appropriate skills and knowledge

With the assistance of overseas U.S. commercial officers, ABC has made contact with foreign timber associations, professional engineering construction groups and specific firms engaged in prefabrication of timber structures, joinery, prefabricated housing and allied industries.

ABC equipment is now in use in more than 20 countries. Improvements suggested by customers are combined with those developed by ABC's mechanical engineering staff.

As the market has developed in certain areas, the company has provided an on-the-spot engineering design service to train

AUTOMATED BUILDING'S 'E' was presented by Sec'y of Commerce C. R. Smith (2nd l.) to pres. J. Calvin Jureit (2nd r.) and vice pres. W. F. Jureit (r.). U. S. Rep. Claude Pepper (l.) was guest.

Mexico eases rules For travel next month

Persons planning to take their cars into Mexico during the Olympic Games, October 12-27, can facilitate their entry by filling out one original and three copies of an application for *temporary importation of motor vehicles* before arriving at Mexican ports of entry. Drivers, of course, will be expected to present proof of ownership.

Since car insurance policies issued by U.S. firms are not recognized as valid in Mexico, motorists may wish to purchase car insurance from Mexican insurance companies at border cities. Insurance might be for the most complete coverage available since drivers involved in accidents are customarily subject to arrest or detention and bail bonds. Lawyer's fees are not covered by Mexican automobile insurance.

Motorists traveling south are usually stopped at several customs check points along the road for inspection of the seals placed on their baggage at the border. Care should be taken that the seals are intact in order to avoid a second customs inspection. On entering Mexico City, motorists are occasionally stopped at police booths along the road for a documents check.

Application forms for *temporary importation of motor vehicles* may be obtained on or after October 1 from Mexican Tourist Agencies in various cities throughout the United States.

the customer's personnel in the techniques of designing structures using timber.

Sea-Land Service, Inc. of Elizabeth, N.J., a subsidiary of McLean Industries, Inc., has pioneered in containerization transportation to earn an "E" award.

Sea-Land has sought to reduce overall distribution costs by streamlining the whole process of distribution, from shipper's door to consignee's door. This required the elimination of repetitive handling of freight, especially at points of transfer from one mode of carriage to another.

Overseas service begun

After nearly nine years of successful domestic operation, Sea-Land inaugurated export service with containerized freight to the Dominican Republic in January 1965.

In April 1966 Sea-Land inaugurated the first trailership service to Europe with weekly calls at Elizabeth and Baltimore in the United States, and at Rotterdam, Bremen and Grangemouth (Glasgow) in Europe.

Today Sea-Land is operating 25 trailerships, supported by a fleet of over 20,000 demountable highway-rail trailers.

Sea-Land's ability to provide refrigerated containers is enabling Florida processors of orange juice concentrate to sell their product in England at a 25% savings over conventional transportation methods.

Many types of U.S.-grown fresh fruit and vegetables are now sent to Europe in Sea-Land containers.

Sea-Land has helped gain markets for American poultry products by such techniques as improving packaging and reducing shipping costs.

Sea-Land market research helped produce bulk liquid containers. A major advantage is the elimination of drum costs in the shipping of chemicals.

Sea-Land now has 144 agreements with European truckers and railroads.

Tariff Commission reports on sheet glass industry

The U.S. Tariff Commission has published its annual report to the President on events in the sheet glass industry.

The report contains statistical data and other information on sheet glass, including U.S. consumption, producers, shipments and inventories, exports, imports, and prices.

Copies of the report are available upon request as long as the limited supply lasts. **Write:** The Secretary, U.S. Tariff Commission, 8th and E Sts., N.W., Washington, D.C. 20436.

SEA-LAND SERVICE displayed at 'E' ceremony ship model that will be given to Smithsonian Institution. Left to right, Paul F. Richardson & Kenneth G. Younger, exec. vice presidents; Michael R. McEvoy, pres.; Sec'y of Transportation Alan S. Boyd; Silvio Bedini, Smithsonian Institution; Malcolm P. McLean, chmn. of board & pres., McLean Industries, Inc.; Sen. Warren G. Magnuson, chmn., Senate Commerce Committee.

South's export prospects featured in AMA seminar

Oct. 7-9 session in Atlanta shows area's growing trade interest

The South's growing industrial prowess is being reflected in a growing interest in export trade as the next step to increased profits. To satisfy the demand for more information on foreign markets, the American Management Association has scheduled an orientation seminar for Oct. 7-9 at the White House Motor Inn in Atlanta.

Entitled 'The International Market—A Challenge to the South,' the seminar will discuss: the reasons for entering the international market; the foreign trade advantages which Southern firms possess; U.S. laws affecting international trade; the advantages and disadvantages of licensing; how to set up an export operation; international intelligence and sources of information; financing international operations; and, an analysis of current political attitudes.

Guest speakers will include Stefan J. Rundt, president of S. J. Rundt Assoc. of New York; A. V. Tuccillo, licensing manager of the Boeing Com.'s Vertol Division in Morton, Pa., and Keith Highet, partner in the New York law firm of Curtis, Mallet-Prevost, Colt & Mosle.

Registration fee for the three-day seminar is $165 for AMA members; $190 for non-members. **Write:** American Management Assn., AMA Bldg., 135 West 50th St., New York, N.Y. 10020.

Thais change import duties on paper items, tire supplies

The Royal Thai Government has announced revised import duty rates on pulp, paper and paper products. These tariff changes were made to promote local industry by enabling paper manufacturers to obtain raw materials at lower cost and to provide greater protection against foreign competition by raising duties on finished products which are also manufactured in Thailand.

At the same time, the reduction of import duties for certain industrial chemicals and textile materials for the tire manufacturing industry was announced.

For further details, **write:** Far Eastern Division, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230.

EUROPLASTICA offers U.S. plastics firms entry to choice Benelux equipment market

U.S. Exhibition planned for March show in Brussels will include production machinery, materials, related equipment; 300,000 visitors expected at fair

A sharp rise in production of plastic goods in the Benelux countries has created new opportunities for U.S. firms selling manufacturing equipment and raw materials used in the plastics industry.

In an effort to help American firms take advantage of the expanding Benelux market, the U.S. Department of Commerce is sponsoring an official U.S. exhibition at EUROPLASTICA '69, to be held March 22-30, 1969, at Brussels, Belgium. The international plastics show will be the largest of the year in the Common Market region, and is expected to draw more than 300,000 visitors. It will be held on the site of the 1958 Worlds Fair.

Plastics production in the Benelux area increased from 284,000 metric tons in 1964 to 438,000 tons in 1967. It is predicted that by 1970 annual production in the plastics industry will be up to 590,000 tons.

Equipment imports needed

The upsurge in demand has left many Belgian and Dutch plastics producers with a shortage of plant equipment that cannot be met by local suppliers. They are importing machinery to take up the slack.

Market research by the Department's Bureau of International Commerce indicates special interest in the following items:

- Plastics production machinery—extruding machines; injection presses; rotational molding machines; calendering machines.
- Related equipment—measuring and control equipment for pressure, temperature, color, thickness and humidity; high-frequency and ultrasonic sealing equipment; deflashers; printing machines for plastic bottles.
- Raw materials—sophisticated special-purpose resins; special stabilizers, pigments and colorants; modifiers, additives and fillers.

The Commerce Department is engaged in an intensive market-development campaign designed to attract potential Benelux customers and agents to the U.S. section of the EUROPLASTICA '69 exhibition.

Past Commerce shows have demonstrated that European markets are receptive to U.S. plastics-production equipment. A "Plastics USA" exhibition at the U.S. Trade Center in Frankfurt in May 1966 led to $2,198,000 in confirmed 12-month sales for 26 participating U.S. companies. The U.S. firms also signed 20 new agents in several European market areas.

At least $2.3 million in first-year sales are expected to result from displays mounted by 32 exhibitors in a November 1967 Plastic Production Equipment show at the U.S. Trade Center in Milan. First-year sales exceeding $700,000 were forecast by 18 firms taking part in a similar show at the U.S. Trade Center in Stockholm in March 1968.

U.S. plastics-equipment manufacturers interested in the Commerce Department exhibition at the March show in Brussels may obtain further details from the U.S. Department of Commerce (BIC-946), Washington, D.C. 20230 (telephone: Area Code 202, 967-3958) or from any of the Department's Field Offices located throughout the country.

Repeat Tokyo show boosts sales of U.S. firms

Local agent for Perkin-Elmer, Ivan Sorvall predicts sales of $1.5 million

Success at a company-sponsored show at the U.S. Trade Center in Tokyo two years ago brought Nissei Sangyo Co., Ltd., back to the Center this summer to show the products of two U.S. manufacturers to Japanese buyers.

Representing Perkin-Elmer Corp. and Ivan Sorvall, Inc., both of Norwalk, Conn., Nissei Sangyo held a three-day sales promotion of U.S. analytical instruments and centrifuges.

The sales report after the showing was excellent—$115,000 in immediate sales contracts, and an additional $1.5 million in sales expected over the first year following the show.

In addition to displaying its products to business prospects, Nissei Sangyo established a "consultation service corner" to offer assistance to visitors with technical problems concerning analytical instrumentation. A series of seminars was conducted by Nissei Sangyo in the Center's businessmen's lounge, and it was filled with enthusiastic audiences.

General invitations were sent to 1,500 prospective buyers, and 350 attendees were registered during the show period. Representatives of Nissei Sangyo expressed great satisfaction with the success of the show and appreciation for the assistance rendered by the staff of the Trade Center.

PRODUCTS OF TWO U.S. FIRMS in the analytical instrument field drew more than 350 Japanese buyers to a recent promotion held between regularly-scheduled shows at the U.S. Trade Center in Tokyo.

Bangkok Center opens company-sponsored series of exhibitions

Mailing to 3,500 U.S. companies encourages use of Center facilities

A completely free exhibition hall to use as a launching pad for sales of U.S. products in the burgeoning Thailand market. Sound impossible? Not to those who know about the Single Sponsor Shows program at the U.S. Trade Center in Bangkok.

The Trade Center has launched a major campaign in the United States promoting Single Sponsor Shows taking advantage of Thailand's rapidly expanding economy.

One of the most important market areas in Southeast Asia, Thailand's imports showed a healthy 12 percent increase during the last year. As the showcase for American products in Thailand, the U.S. Trade Center offers manufacturers maximum exposure to the market in a prestige setting, and at minimum cost.

To carry this message to American firms a personal mailing of letters and brochures will be made to presidents of 3500 U.S. companies which are doing or have done business in Thailand. In addition, the campaign also includes all regional representatives of American firms who are located in Hong Kong.

Located in downtown Bangkok, the U.S. Trade Center's five story building contains two full floors of exhibit space and a large outdoor exhibit area. It has its own motion picture theater and facilities for lectures, seminars, special demonstrations and group conferences. The Center also houses offices of the American Embassy Commercial Attache and a commercial library.

That Single Sponsor Shows are effective is indicated in the successful events staged during the last year, which exhibited products ranging from scientific electronic equipment and business machines to utility vehicles and power tools.

Among these was the Singer Sewing Machine Company's exhibit and demonstration of A. B. Dick and Friden business machines. Although Singer is one of the oldest American firms in Thailand, and has the largest number of dealer outlets in the provinces of any foreign firm, Singer chose the U.S. Trade Center to introduce new business machines to this market. Company officials were so pleased with the results that they joined exhibitors in the mobile shows sent by the Trade Center to provincial business centers.

Trade Center Director Charles Welbert points out that, particularly for the introduction of American products new to Thailand, the Center's facilities provide the type of prestige presentation that attracted the widest attention. Professional guidance by the Center's staff and consultants are available to participating exhibitors to obtain the maximum mileage from promotional efforts for Single Sponsor Shows.

These shows are booked during the periods between the seven or eight major American product exhibitions conducted annually at the Trade Center by the U.S. Department of Commerce. Inquiries about available dates and other information may be sent directly to the U.S. Trade Center in Bangkok or through the Office of International Trade Promotion, Department of Commerce, Washington, D.C. 20230.

U.S.-YUGOSLAV AGREEMENT for first official U.S. participation in the Novi Sad International Trade Fair, set for May 10-19, 1969, is examined by (left to right, standing) Thomas Moore, Acting Regional Exhibits Director, U.S. Department of Commerce; Arthur Laemmerzahl, Yugoslavia desk officer, U.S. Department of Commerce; an interpreter; Sy Traub, plans officer for the U.S. Exhibition; (seated) John McManus, Assistant Director, Commercial Exhibits Program; and Ladislav Gros, Director of the Novi Sad Fair.

Australians plan electronics show, conferences for May

Two related events "down under" next May will give U.S. manufacturers in the electronics and instruments fields an excellent opportunity to introduce their lines to leading Australian industrialists.

The 1969 International Instruments, Electronics, Automation, Control Equipment, and Communications (IEACC) Show has been scheduled for May 26-30, 1969, in Melbourne. Just before that show, a conference on "Modern Electronics in Industry" will be held in Sydney on May 22, and in Melbourne on May 25 and 26.

Representatives of firms exhibiting at the IEACC fair will be invited to submit papers to the previous conferences, and any top experts who are in Australia for the show will be asked to speak at the meetings.

Several Australian subsidiaries and affiliates of U.S. firms have already announced plans to participate in the IEACC show.

Exhibit categories include: Instruments, measuring equipment, electronics, micro-electronics, laboratory and research equipment, computer systems, control equipment and systems, numerically controlled machine tools, and communications and telecommunications equipment.

Attendance at the exhibition will be limited to the trade only, giving exhibitors a better chance to talk with genuinely interested customers.

Write: International Investments, Electronics, Automation, Control Equipment, and Communications Show, 392 St. Kilda Rd., Melbourne 3004, Australia.

Germany bounces back

Private business picks up the initiative in shaking off '67 economic slump

Confounding the skeptics, the German expansion is picking up unexpected momentum, according to the semi-annual Economic Trends Report from the U.S. Embassy in Bonn.

Every major sector is joining in a broad-based recovery from last year's recession which is carrying Gross National Product in real terms to a probable 1968 gain of 5.5%. Taking over the driving role from the public sector, private industry is now generating powerful growth impulses on its own accord.

A sharp deterioration in U.S. trade with Germany is evidenced in the emergence of a deficit of over $200 million in the first six months, reversing a traditional U.S. surplus. Exceptional factors played an important role in an extraordinary 45% increase in German sales to the U.S., notably the copper strike and fears of a steel strike and import restrictions. Well over half of the increase was accounted for by automobiles alone, and if one adds non-ferrous metals and rolling mill products, three-fourths of the German sales increase is explained.

U.S. exports to Germany present a varied picture. Raw materials and semi-finished products are doing well, particularly chemicals. Finished products are also holding up, with good gains for electrical equipment and machinery. An overall decline of 1% in total U.S. exports was caused primarily by drops in military items and a poor agricultural record, particularly for soybeans and tobacco.

Mixed food prospects

Prospects for agricultural exports for the rest of the year are problematical. Feed grains will probably not reach last year's level because of a good German crop. Soybeans and soybean meal may be down rather substantially, dut to increased competition from third countries and from other materials. The need for supplementary imports of hard wheat for blending should increase in the coming months.

For a number of agricultural products, Common Market policies and sharper price competition from other countries are becoming increasingly worrisome.

Possibilities for U.S. manufactured exports appear brighter due to both the economic expansion and the Kennedy Round tariff reductions, which went into force on July 1. Against this must be offset a simultaneous increase in many duties under the new EEC common external tariff.

The U.S. Trade Center in Frankfurt, which selects its exhibition themes on the basis of market surveys showing maximum export potential, expects to hold trade shows in the following fields in coming months: fluid power equipment, non-traditional metalworking equipment and accessories, air engineering (air conditioning, filters, humidifiers, de-humidifiers) and lasers and electronic optics.

Increased activity of foreign mutual funds in Germany represents a growing contribution to the U.S. balance of payments through stimulating portfolio investment in the United States. Foreign mutual fund sales are rising spectacularly, exceeding $100 million in the first half-year, compared with under $90 million for the full year 1967—which itself broke previous records. It is estimated that even these figures are only somewhat more than half of the true level, due to exclusion of small transactions from the statistics.

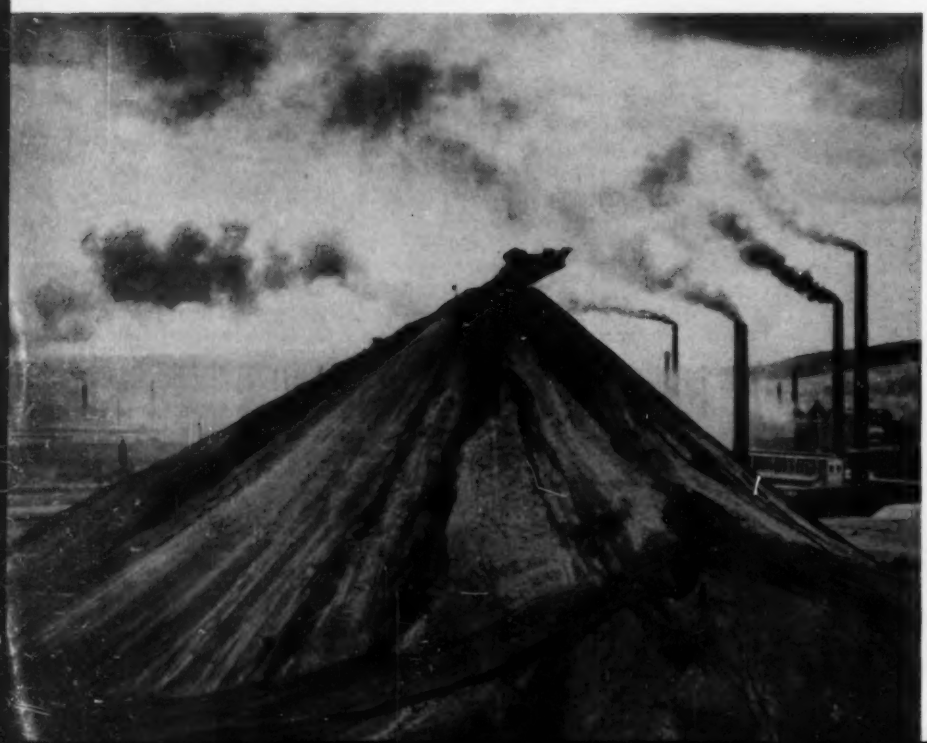
The Government is proposing new legislation to protect German investors and provide equal competitive conditions between foreign and domestic funds. Major provisions include requirements to register with the Banking Supervisory Authority, appoint a German representative and paying agent, and publish prospectuses and financial documents in German.

The draft law would prohibit a fund from investing in other mutual funds, raising loans or encumbering assets, or deducting more than one-third of the total sales costs of a savings program in the first payment year.

If the proposals become law, some additional costs would be imposed on foreign mutual funds operating in Germany, but the requirements do not on balance appear discriminatory, since they are in principle no more severe than those regulating domestic mutual funds.

Official circles now admit that it is no longer likely that the German external balance will be automatically restored through vigorous domestic growth. The Economics Ministry, in fact, characterizes the trade surplus as Germany's major

RESURGENT GERMAN ECONOMY has rallied so sharply that some observers are already beginning to worry about it' overheating. Below, a slag heap at a steelworks near Volkingen in the Saarland.



current problem.

At $2.3 billion for the first seven months of 1968, the trade surplus stubbornly remains, despite substantial import growth, only fractionally below the comparable figure for last year. The 1968 full-year surplus probably will approach the record $4 billion of the 1967 recession year.

German exports are suffering no perceptible effects from sterling devaluation, rather benefiting from the stable domestic price situation; export prices are even declining slightly. Moreover, the continuing almost breathtaking pace of foreign orders offers no prospect of a rapid disappearance of the export flood.

Complicating the situation is the emergence of a surplus in services (contrasting with the traditional deficit in this account), due to higher investment and transportation earnings and receipts from foreign troops stationed in Germany.

Close analysis of trading trends reveals that 85% of the export gain in the first half of 1968 was accounted for by four trading partners which normally absorb under two-fifths of Germany's sales. The U.S. alone was responsible for 46% of the total increase in German exports, with substantial gains also posted in sales to the Netherlands, France and Belgium-Luxembourg.

Massive private long-term capital exports are currently more than offsetting persistent short-term monetary inflows. The German capital market is emerging as a major supplier of funds to the world. From June through August flotations of DM-denominated bonds approached $800 million, compared to the former full-year record of $330 million in 1966.

The net result of these trade and capital movements is that the increase in Germany's total reserve position, while still a substantial $800 million through July, is nevertheless smaller than for the comparable period of last year.

The highly welcome, if unexpected, surge of capital exports probably cannot be regarded as a long-run solution to the balance of payments disequilibrium. To a significant extent, it is dependent on continuation of Bundesbank policies regarding monetary liquidity, as well as on the level of domestic demand for capital.

U. S. EXPORTS TO GERMANY present a varied picture, but chemical sales are doing particularly well. Above, members of the German Propane Gas Assn. inspect fuel forklift trucks used at Los Angeles Harbor.

Financial pressure

Up to now, the increase in domestic demand for funds, while substantial, has been somewhat restrained by the presence of large liquid reserves in the private sector. As the upswing continues, however, increasing pressures on the financial markets from private as well as state and municipal borrowers can be anticipated.

In light of the situation, it is not surprising that rumors from abroad of revaluation—ranging from 5 to 15%—are cropping up with increasing frequency, invariably being promptly denied by Government and Bundesbank spokesmen. Revaluation has in the past been advocated by the German Council of Economic Experts, and it is now also mentioned increasingly in local commentary, even if only in the context of a 'last resort.'

Political pressures against revaluation can be expected from the influential export sector (which accounts for nearly one-fifth of industrial turnover), labor unions, and farmer organizations fearful of cheaper food imports and detrimental effects on the EEC support system.

Restocking of inventories is occurring on a massive scale, causing the Economics Ministry to predict recently that the inventory swing over 1967 is likely to exceed 11 billion Deutschemarks, surpassing its original target by over DM 1.5 billion. Even if this aspect of the recovery may be nearing its peak, private investment is picking up sharply, stimulated by favorable profit expectations and increased capacity. Investment plans of many firms are being revised upward, and forecasts of a 7 to 7.5% industrial investment increase for 1968 may prove conservative.

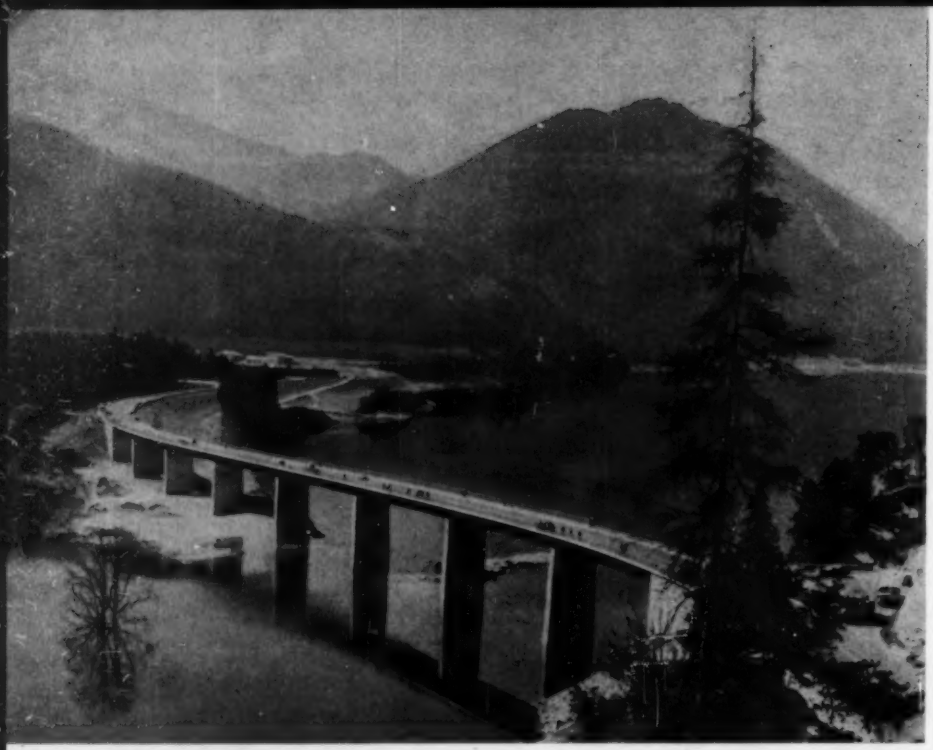
Domestic orders and production in the capital goods sector are increasing at an extraordinary pace. Output of iron and steel, chemicals, electrical equipment, and commercial vehicles is at record levels, and machinery output is rapidly approaching pre-recession highs.

Despite formidable production levels, order backlogs are growing—especially for investment goods industries—and inventories are increasingly being characterized by businessmen as too small.

Even the construction industry has decisively joined the upswing, with particu-

Best U.S. prospects

Recently conducted market surveys in Germany have shown special sales potential for the following U.S. products: electro-mechanical precision parts; chromatographic and spectroscopic instruments; instruments for air purification (gas analyzers, exhaust analyzers, smoke density indicators, and ozone recorders); audio-visual aids, (overhead projectors and transparencies, vision viewers, video tape recorders, language laboratories); teaching machines and programs; equipment for the graphic arts industry; and fluidic devices, including specialized pumps.



GERMANY'S CONSTRUCTION INDUSTRY is joining the national upswing, with particularly strong activity in heavy construction such as roadbuilding. This is a recently completed bridge in the Bavarian Alps.

larly vigorous activity in heavy construction—roads and infrastructure projects reacting to the stimulus of governmental programs—and in building-finishing trades. Shortages of construction workers are beginning to show up. Further, orders for building equipment are sharply rising, indicating that the current construction trends will probably be reinforced.

In the retail trade, conditions have turned excellent, banishing earlier fears of slow consumption growth. Abnormally high savings may be reaching their zenith, and recent labor settlements have lifted the annual rate of increase in hourly wage rates from 2.3% at the beginning of the year to near 6% by the summer.

Mass purchasing power is also being bolstered by expanded employment and working hours. Earlier estimates of 1968 growth in private consumption have been revised from under 4% to about 5%, and it appears that the rate is accelerating as the year progresses.

Business surveys generally show the highest expectations in over three years, a confidence paralleled in the performance of the stock market, which has risen 18% since the start of the year and is approaching all-time highs.

Germany has recovered so rapidly from last year's recession that some observers urge alertness to early symptoms of overheating which characterized the previous boom period. Fears are once again being raised that the limits to growth may not be on the demand side—as originally feared—but rather on the supply side.

Industry is quickly moving up to pre-recession levels of capacity use. The latest surveys indicate a rate of 86%, merely 2 percentage points below the level when the economy was last in a stage of overheating.

Unemployment has melted away to an insignificant 1%, overtime is increasingly frequent, and short-time work has virtually disappeared. The number of job vacancies has grown very rapidly, exceeding unemployment this spring for the first time in 18 months, and currently approaching a level of almost three vacancies for every job seeker.

Nevertheless, it does not yet appear that the economy is in imminent danger of straining against its upper productive limits. Although rehiring of foreign workers has brought their number over the one million mark, it is still roughly a quarter million below its pre-recession high point.

Moreover, in contrast to the previous boom period, the banking system remains extremely liquid, with even slightly falling interest rates.

Further, an extraordinary feature of the current cyclical upswing is the continued maintenance of price stability. Despite the increase in the value-added tax rate from 10 to 11% at mid-year, industrial prices are no higher than at the beginning of the year, the retail price index has not wavered from last year's levels, and the cost of living index is increasing at an annual rate of less than 0.9%.

There is, moreover, no evidence that the phenomenal annual growth rates for industrial productivity, averaging 9-10%, are yet slackening. Finally, unit labor costs in industry continue to fall, despite wage increases.

Reflecting these considerations, there is general consensus that there is no need to apply even moderate brakes to the expansion now, although there have been hints from the Finance Ministry and some industrial spokesmen that restrictive measures could at least be prepared against the eventual appearance of definite signs of overheating later this year. For its part, the Bundesbank has indicated that it will re-examine its currently neutral monetary policy this autumn.

The Economics Ministry continues to favor an expansionary course, in order to achieve external equilibrium and to focus public resources on regional and structural problems, science, and research.

The 1969 Federal budget, which is in the final stages of preparation, appears considerably less expansionary than that of 1968, but nevertheless involves more deficit finance than originally contemplated. A net deficit of DM 3.7 billion is likely, compared to almost DM 6.0 billion in 1968.

The German financial markets are proving remarkably flexible, not only satisfying rising domestic demand for funds, but also absorbing an unprecedented volume of foreign bond issues—accompanied, surprisingly, by mildly falling interest rates. The money supply is growing at an annual rate of over 8%, almost as fast as during the previous boom period.

Domestic credit expansion is nearly twice as high as in the first six months of last year.

Top consumer items

Surveys show that Germany's consumer goods industry expects a very active fall season, and heavy inventory stocking continues. Prospects are particularly good for consumer durables in general, and for furniture, radio and television, food products, office equipment, and electrical items. The picture for automobiles remains mixed: production is up and an unusually high proportion is being exported, but domestic sales have not yet reached pre-recession levels.

Minerals spark Australia

Continuation of recent gains should produce real growth of 6% in next 12 months

The Australian economy is expected to show continuing good growth in the year ahead, according to the semi-annual Economic Trends Report from the U.S. Embassy in Canberra.

Gross national product should increase by a good 6% per year in real terms, or slightly more rapidly than during the past twelve months.

One cause for optimism is a good recovery in rural output after several years of drought. Big additions are also expected in production by the rapidly expanding mining sector. A continuation of the recent steady expansion is indicated for other non-farm output.

Australia's excellent growth record in the past decade, its strong economic base which continues to broaden, the large investments now taking place or planned, its rising incomes, and its growing population all combine to make it an even more attractive and expanding market for U.S. goods.

The new growth helps every day to overcome some of the past disadvantages of a market with a small population spread unevenly over a vast country.

As its economy becomes steadily larger and more wealthy, Australia's domestic industries can progressively attain cost-saving economies of scale. Further, the way is prepared for a more closely knit economy with establishment of new activities to supply existing industries with necessary materials or to purchase their output of semiprocessed goods.

Changing trade patterns

As Australia's economy becomes more diversified, trade patterns can be expected to change as well as to expand. Australian firms will be providing more of the finished products and services that have traditionally been obtained from abroad. At the same time, demand will grow for more advanced products and techniques.

New domestic industries will create, their own particular requirements to be supplied. New opportunities for alert businessmen will unfold as Australia's economy becomes more closely integrated.

U.S. businessmen may expect keener competition both as a consequence of the greater attractiveness of the Australian market and for more particular reasons. Following the devaluation of sterling, British firms, which also have the benefit of Commonwealth preferences, have continued to point to price advantages as they seek to regain their position as Australia's number one supplier. Trade information is still insufficient, but the United Kingdom since devaluation was successful at least in arresting a decline in value of exports to Australia over the past two years.

Japan is becoming more and more closely linked by trade with Australia through long term contracts for iron and coal, as well as wool, and appears to be a ready market for bauxite and other recently discovered mineral resources in Australia. The trade balance is already heavily unfavorable to Japan, which suggests that it may have a stronger position in future trade bargaining. Spokesmen for the Australian wool industry, for example, concerned about their own market for exports, have registered opposition to Australian restrictions on imports of Japanese motor vehicles.

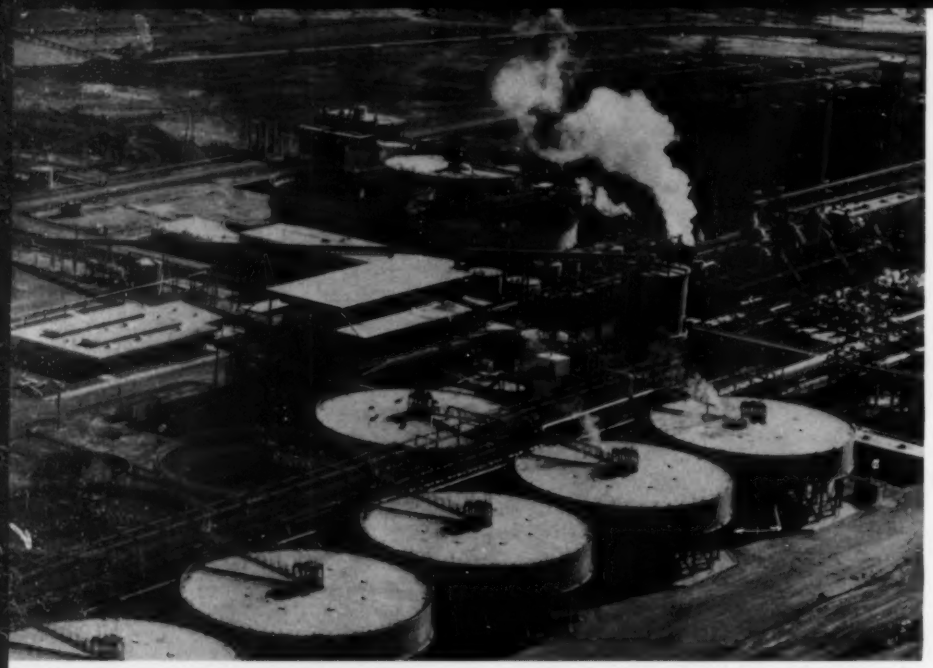
Official Australian policy still welcomes foreign capital in new ventures. Among other reasons, this is based on a practical recognition that outside capital is a necessary supplement to domestic funds if Australia is to develop its resources at the rapid rate which is now feasible.

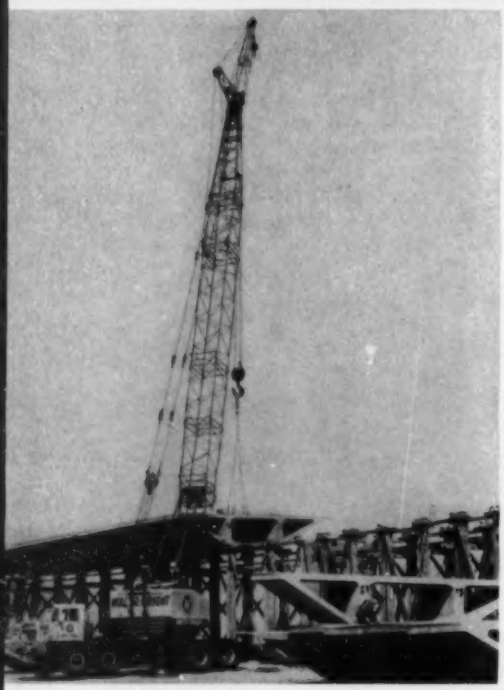
However, balance of payments difficulties in the United States and the United Kingdom have raised more frequent questions about whether Australia can count on foreign capital being available as needed in the years of growth and development ahead.

The annual report for 1968 which was just issued by the Reserve Bank of Australia points out that "Tightening restrictions on international capital movements have reinforced the desirability of raising the level of domestic savings and increasing the capacity of the local capital market to provide development capital. The establishment of the Australian Resources Development Bank, which commenced operations during 1967/68 was a significant step in mobilizing savings to meet some of the new demands upon the Australian financial system."

If, some few years hence, the record should show that restrictions on capital movements in the United States and other countries limited Australian access to the capital needed for development, it is likely that greater attention may be paid

AUSTRALIAN GROSS NATIONAL PRODUCT is expected to grow by at least 6% in real terms during the next twelve months. This is part of the nation's largest steelworks, Australian Iron and Steel, at Port Kembla.





MINERAL DISCOVERIES ARE FUELING Australia's growth, and creating a need for more modern facilities capable of servicing a burgeoning economy. Above, precipitation tanks at the year-old Queensland Alumina plant at Gladstone. At left, a U.S. 65-ton crane at work on a 1400-foot elevated roadway from the highway to Melbourne's new Tullamarine Jetport.

to the minority of voices that have questioned whether Australia should entrust important sectors of its economy to development by overseas capital.

Another uncertainty is the level of world trade. Some fear that a declining level of world trade generally or a slowdown of economic activity on the part of some of Australia's major markets might dampen prospects for export growth in the year ahead.

The next few years will require large repayments of official and private debt abroad, including repayments of defense credits. Beyond that, prospects for the balance of payments become considerably better.

The growth of exports is likely to accelerate as mineral discoveries are developed, while new domestic sources of petroleum and natural gas should displace substantial fuel imports.

Australian exports for the year ending June 30 increased by less than 1% in value over the year earlier. Rural exports dropped in value because of the effects of the drought and falling prices in overseas markets for primary products. This loss was slightly more than offset by a rise in other exports, particularly minerals.

Imports increased by 7.3% over the earlier year's figures, partly because of increased purchases of defense equipment and civil aircraft and partly because of rising private demand. Iron and steel products, machinery and precision instruments made above-average import gains. A deficit on trade of approximately $250 million resulted for fiscal 1968.

The export picture for fiscal 1969 is more promising. Agricultural exports appear set to recover in volume much of the ground that was lost. Growth of manufactured exports should continue, and another substantial rise for minerals lies ahead. These should lift total exports by possibly $550 million during the next twelve months.

Imports are also likely to increase in most categories, reflecting rising domestic demand. Deliveries of defense equipment from abroad will be about $100 million greater, but deliveries of civil aircraft will be smaller. In summary, imports and exports will be much closer to balance than in the past year.

Big questions

For fiscal 1968, much larger deficits on invisibles as well as trade caused Australia's current account deficit to rise sharply to $1,210 million. Fortunately, there was an unprecedented surge of an offsetting private capital inflow, somewhat greater than the current account deficit.

Direct American investment maintained the level of the previous year despite U.S. controls, but British financial difficulties probably led to an outflow of British direct investment in Australia. About $300 million of the capital inflow came from direct investment. The greater portion, therefore, was in portfolio investment and institutional loans from abroad.

Preliminary reports for July indicate that the inflow of private capital during that month was over $90 million, continuing the trend of the past year at nearly the same level.

For the year ahead, the movement on capital account is the least predictable of the elements in the Australian balance of payments. U.S. direct investment is expected to show little change, but no improvement is expected with regard to British direct investment.

Loan prospects hazy

Development of Australia's huge mineral discoveries will continue and will bring in substantial institutional loans. The prospect for a continued inflow of portfolio capital, most of which has come from or through London, is uncertain. In any event, it is hardly expected to continue at the level of the past twelve months.

There is also a risk that the portfolio investment which has come to Australia may not remain indefinitely. However, as long as Australia maintains a strong and growing economy it is likely to remain attractive to foreign investors, the accompanying Trends Report concludes.

During the first half of 1968, the commencement of new houses and flats increased strongly over the high level maintained during 1967. During the quarter ending June 30, approvals for construction of non-residential buildings were 13% ahead of the same period of 1967. Commencements of non-residential buildings are also well ahead of the 1967 pace.

For the June quarter, 16 out of 28 basic indicators of production reported by the Commonwealth statistician were up over a year earlier. For the three months to the end of July, out of a new total of 31 indicators, 20 were up. The most impressive growth was shown by construction materials and consumer durables.

Tight labor market

Demand trends in a labor market already fairly tight were further strengthened. New jobs are rising about 3% per year. In July, the number of registered job seekers reached the lowest level in twelve months. At the same time, registered vacant jobs were the lowest since January of this year. There was an excess of 27,500 job seekers over jobs, also the lowest level for this figure for the past twelve months.

Near full employment with new jobs relatively easy to obtain was seen as a factor in a high rate of turnover in industry. One survey showed an estimated annual labor turnover of 67% for industries in metropolitan areas. The economic cost to employers of this high rate of job changing has been estimated at $280 million per year. Overtime work has also remained at a high level.

The budget for fiscal 1969 anticipates a buoyant economy in the year ahead, with demand strong in all sectors, and GNP rising by 6% in real terms. The new budget, therefore, has been designed to reduce the rate of increase in government expenditures and to modify the stimulus to the economy from government outlays

The Commonwealth Treasurer estimated that because of higher incomes and activities, revenues would increase by 9% without any change in tax rates.

To do a little more to offset the domestic impact of the increase of budget expenditures, additional revenues have been proposed. These would be obtained mainly from an increase in rates on the company tax and the general sales tax, as well as several other charges.

The proposed budget foresees receipts increasing by 10.5% to reach $6,769 million. The resultant deficit of $613 million will be $109 million smaller than that for fiscal 1968. It will be met by borrowing at home and abroad as well as by drawing on credits provided by the U.S. Government against purchase of military equipment.

Average weekly wage rates have been increasing by 5% a year in recent years, considerably higher than the national average growth of productivity, estimated to be 2½% per year.

Upward pressure on wages is expected to continue. The Arbitration Commission recently directed that, beginning in August, payment be made of the remaining 30% of pay raises granted last December to the metal trades. It is not certain how much of this will flow through to workers in other industries.

Seek broad increases

The Arbitration Commission has also begun the annual hearings under the National Wage Case, with worker groups seeking a broad range of wage increases.

Costs rising in excess of productivity are eventually reflected in higher final prices, although it takes time for the higher wages to work right through the cost and price structure. The Australian record has been good on holding price increases to moderate levels in recent years. The consumer price index for the June 1968 quarter was 2.8% above a year ago, but it had eased somewhat in the past six months from the higher rate (3.6%) that was maintained through most of 1967.

Spending on rise

All major categories of spending are rising in Australia. Public outlays will grow by about 8% over the next twelve months. Personal consumption expenditures, reflecting higher real incomes, continue to expand. Retail sales of goods have been running about 6% higher than a year earlier. New motor vehicle registrations are well ahead of last year although the rate of growth may be a little slower.

Helped by expansive financial conditions, private investment spending on plant and equipment is also rising. However, money may become tighter. The ability of the major trading banks to expand further their new lending may be limited as they approach the limit of agreed liquidity reserves. On August 1, the savings bank deposit rate was increased from 3.5 to 3.75%.

First IDA credit to Indonesia aids irrigation projects

Foreign exchange costs for Java, Sumatra programs to be covered

The International Development Association has approved its first credit to Indonesia, $5 million to cover the foreign exchange costs of rehabilitating four irrigation systems. All imported equipment purchased with the funds must be procured through competitive international bidding.

Indonesia's three largest and most important irrigation systems will be the first to be rehabilitated. They are located on the island of Java. The IDA funds will also be used to complete a new irrigation system under construction on Sumatra. The total area involved in the four systems amounts to approximately 490,000 acres.

As a direct result of the project, rice production should increase by almost 40,000 tons annually or about 15% of the present level in the project area.

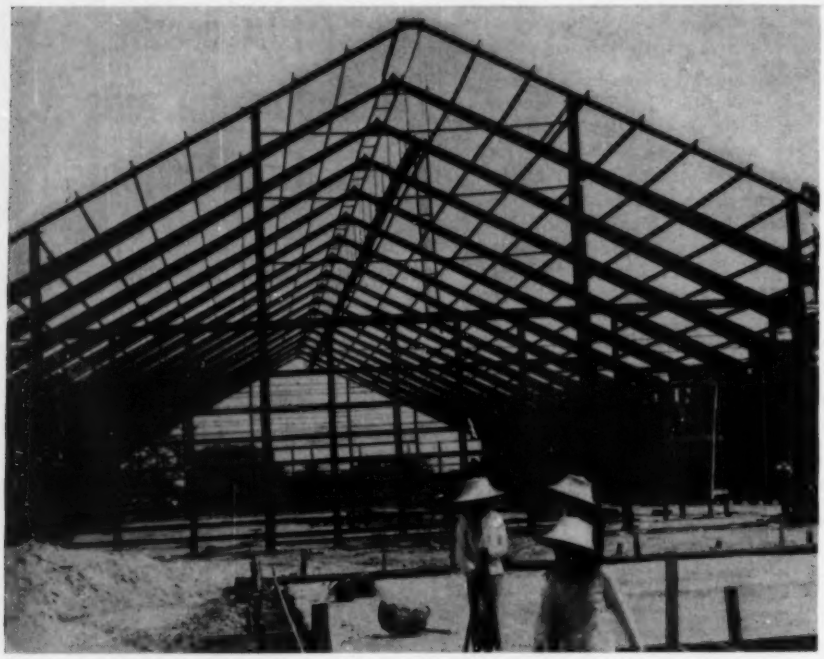
This project is expected to reduce the need for rice imports by $6.6 million each year.

Once the areas concerned have adequate irrigation and drainage, it will be economical to use fertilizers, pesticides and improved seeds which will increase yields even further, opening up more U.S. export opportunities.

Engineering study funded

In view of the great urgency for speedy execution, the project has been approved for financing although an engineering study and the preparation of detailed plans still remain to be carried out. The Government is engaging consultants for this purpose and the IDA credit includes funds for their services. In the meantime the necessary equipment and machinery can be ordered and put to work on the most urgent and obvious tasks without further delay.

The consultants, working with the Directorate General of Water Resources and Indonesia's engineering staff responsible for irrigation, will make an engineering survey and inventory of the systems included in the project. In early 1969 they will begin to prepare projects for the rehabilitation of other high priority irrigation areas.



OUTLOOK REMAINS GOOD for Thailand's construction industry, as development expenditures are expected to average about $500 million per year through 1971. Above, a grain storage terminal using prefabricated steel from Texas is under construction. A & S Steel Buildings of Houston was the builder.

Thailand, rebounding from slump, provides good sales, investment openings for varied U.S. products

Agri-business, tourism, light manufacturing are top growth areas; both countries mount successful trade mission in the other

Thailand's economy, despite a marked drop in exports this year and real hardship in certain areas of the Northeast from the 1967 drought, is recovering after only a slackening in the rate of growth.

The rapid growth of industry, construction, and commerce is continuing in the Bangkok area, according to the semi-annual Economic Trends Report from the U.S. Embassy in Bangkok.

Promising investment and sales areas include those related to agro-industry, tourism and light manufacturing. Thailand's relatively high rate of agricultural expansion has been based mostly on irrigation and new land, and there is still a very small use of fertilizer, insecticides and other agricultural chemicals. For example, application of fertilizer per acre is around 5% of that used in Taiwan, Korea and Japan.

International Minerals Corporation and Allied Chemicals are exploring the possibilities of constructing big fertilizer plants in Thailand. Their plans received a setback in recent months with an import ban on ammonium sulphate and urea being granted to the local fertilizer plant, which uses lignite as a feedstock. The expected rise in the local price of fertilizers may dampen the rapid increases in fertilizer use of the past few years.

A new artery for Thailand's agricultural products from the Northeast and the East is on the verge of completion, with the hard-surface road from Korat to the new military port at Sattahip scheduled to open in the fall of 1968. This will eventually permit such products as corn, tapioca and other agricultural products to use port facilities at Sattahip or Sriracha and bypass the congested port area of Bangkok. It could also provide an artery for imports or bulk products into the Northeast.

The Thai Government still has not made a final decision on an engineering survey for a port near Sriracha, but several companies are pressing for a decision in order to establish silos and facilities to export agricultural products.

Preparations for the expected post-Vietnam War tourist boom continue; hotel rooms will reach about 8,000 in 1968, an eight-fold increase in the past eight years. Additional large modern hotels are scheduled to open in 1969. About 25% of the hotel rooms are now reserved for U.S. servicemen on leave from Vietnam or leased by the U.S. military. The expected increase in tourism through the jumbo jet traffic should more than take up any slack that may result from lessening military demand.

The outlook for the construction industry remains good. Thai Government and foreign aid development expenditures for roads, irrigation, education, and similar items are expected to average about $500 million a year for the period ending in 1971.

Beyond that there is the prospect of oil exploration and development and the Mekong projects, including the big Pa Mong dam near Vientiane, an expansion of commercial airport facilities, the possible second commercial seaport near Sriracha, and improved transportation facilities.

The market also remains active for commodities related to consumer demand, including supermarket items, air conditioners, and tourist-related items.

Commercial activity in the towns of the Northeast continues to boom, with added purchasing power being created by U.S. military payrolls at the Korat, Udorn, Ubol, and Nakorn Panom bases. Other towns also are growing.

U.S. distributors participating in the Trade Center's Mobile Trade Show in the Northeast early this year were very pleased with the sales and prospects developed. This was followed by an August Mobile Show in North Thailand, the region which has shown the highest and most consistent agricultural growth in the past decade. The welcome by businessmen and officials there was extremely cordial with almost all important businessmen turning out to the shows in Chiang Mai and Lampang, the two population centers.

The volume of sales for the show in the North was substantial (twelve-month projection of over $500,000), showing that

there are much better markets in these areas than many observers expected.

Returning the compliment, a highlight in Thailand's investment promotion this year was the visit to the United States of a Thai Trade and Investment Mission. On their return to Bangkok, many members of the Thai Mission were optimistic that a number of Thai-U.S. investment projects would be concluded as a result of the trip.

A good rice crop is in prospect with rainfall adequate so far this season, and a resurgence of agricultural exports is likely by the beginning of 1969.

A key to the future export picture will be rice prices. Here the outlook is murky with the experts disagreeing on trends. Nevertheless current rice export prices are not very far below the all-time high point of December 1967 and early 1968. All things considered, it is likely that the 5% increase in GNP of 1967 will be exceeded this year.

Export earnings fell 20% in the first half of 1968 compared to the first half of 1967, exports of rice may be the lowest in volume since World War II, with other exports also showing marked declines. However, earnings from U.S. military expenditures, tourism, and foreign investments are keeping Thailand's foreign exchange position strong, and official reserves have shown only a minor decline since March. Moreover, the active interest of foreign investors coupled with a strong program of developing Thailand's infrastructure are building a basis for the continued economic expansion. Imports were temporarily inflated in the past two years, but over the long run should continue to show an annual growth of 12%. Investment opportunities are good and the demand for imports of U.S. products should continue to rise at a rate above this average, in part due to indirect effects of programs carried out by the U.S. military and AID.

Rural emphasis

With the emphasis of the national plan on rural development, the strong support by the U.S. and other assistance programs to farm areas, and the increasing voice of farmers with a vote in national affairs, the markets in rural areas will continue to expand.

This year the rising government budget deficit may cause pressure on money supply and prices. Government budget pressures are being reflected in the drawdown of treasury balances to finance deficit spending. Government spending normally peaks in the last months of the calendar year, so increased expansionary pressures are expected. Credits and loans to the private sector are also at high levels this year, reflecting continued high business activity.

The new 1969 budget has just been released and shows a record expected deficit for next year of 5.4 billion baht (excluding debt retirement). As in past budgets, the increase of the Ministry of Defense spending is very rapid, up 16%. Education is close behind in amounts and rate of increase, but Thailand has still not kept up with the rapid increase of the number of school-age children.

It will take many years of high educational spending before Thailand shows marked improvement in its present educational standards—80% of the children leave school by the end of the fourth grade.

The U.S. Aid program (1% of Thai GNP) and World Bank programs also place heavy emphasis on education, including teacher education and vocational training.

Expenditures in the new Thai budget on roads, dams and power and related infrastructure will expand rapidly. Roads also are emphasized in the U.S. AID program; the rapid increases in rural road-building are obviously stimulating development in the Northeast.

All indications are for a continued strong upward trend of imports. In 1966 and 1967, non-military imports showed an unusually large increase by rising about one-third. Although imports for the U.S. forces and military construction are taken out of the statistics, Thai imports still include some indirect imports such as trucks and equipment which were used by subcontractors or leased by the U.S. military.

If one subtracts these unusual imports in 1966 and 1967, Thailand's strictly commercial imports continued to show about a 12% annual increase during these years, which matched the increase of the previous four years.

U.S. exports to the Thai market continued strong, showing a somewhat higher than average rate of increase. In 1967 U.S. exports to Thailand increased 28% to $164 million. Major U.S. exports in that year and the first two months of 1968 were: Machinery and appliances, including air conditioners, refrigerators, coolers and pumps; unmanufactured tobacco; motor vehicles; machines for special industries (motor graders and light maintainers); cotton; and agricultural machinery, including track laying tractors and wheel tractors.

It appears that machinery sales are slacking off in 1968. This is probably due in large part to a phase-down of U.S. military construction and the consequent fall in use of machinery by subcontractors as well as a decrease in rentals of such equipment by U.S. military units (direct imports of machinery by contractors for military projects are excluded from the trade statistics). Imports of machinery in 1966 and 1967 had shown very large increases, so that a resumption of less sensational but nevertheless substantial rates of growth can be expected after this year.

Rubber exports surge

An interesting development in Thailand's export picture was a surge of rubber exports to the United States to a rate of about $1 million a month. This was due to difficulties in Malaysia's rubber industry and U.S. stockpiling in anticipation of a possible longshoremen's strike. It also reflected an increased preference of American buyers for the cheaper lower grades of rubber sold by Thailand.

Investment continued at the rapid pace established during 1967 and is laying the basis for further trade expansion. By the end of August, the Thai Government's Board of Investment had issued 98 new promotion certificates granting projects of local and foreign investors certain benefits such as being exempt from income tax and certain import duties for a period of five years.

Investment thus far in 1968 has generally focused in three areas:

- contruction materials such as cement, fiberboard, iron and steel products, wire and cable;
- agribusiness industries such as cotton ginning, feed mills, and rubber processing;
- cotton, silk and synthetic textiles, spinning, dyeing, and weaving.

Six firms have received promoted industry certificates for the manufacture of

Municipal projects

Thailand is expected to continue to enjoy the basic political stability which has assisted economic growth over the past ten years. Municipalities in rural areas were given expanded authority in May, and they are expected to have a larger voice and an increasingly important governmental role.

This means that they will be demanding such products as municipal power systems, water distribution systems, and other items of municipal services. How much they can expand their revenue base is problematical, but there is an opportunity for sales joined with new long-term financing arrangements.

caustic soda, calcium carbide, and other industrial chemicals. Smaller investments, normally wholly controlled by local entrepreneurs, are also expanding.

For the past six months, the Ministry of Industry has been issuing licenses for the initiation or expansion of industrial facilities at a rate rising to about 150 per month.

In a quiet but sustained effort, the Board of Investment and other officials have recently focused attention on the investment opportunities in agribusiness. This, in part, has brought about a new interest in such relatively untapped fields as cotton ginning and animal feed processing. However, there are no government controls of feed formulation, and difficulties are frequently experienced in marketing livestock.

There are also good possibilities for growing and marketing Turkish leaf tobacco.

Agribusiness potential investigated

At the same time, U.S. officials have sought to generate increased interest in agribusiness potential in Thailand, particularly in the Northeast. Under their auspices the U.S. Agribusiness Council invited a team to Thailand consisting of 13 executives from various U.S. agribusiness companies. In May and June, the team surveyed Thailand's agribusiness investment and trade potential. Its report will soon be made available to interested U.S. firms.

American firms in 1968 continued a strong interest in investment in Thailand. As of late August, eight U.S. firms had received approval for a total of $18.5 million in investments. Five U.S. companies (Gulf, Union, Continental, Amoco and Tenneco) have received licenses to explore for oil in the Gulf of Thailand. Other American firms were interested in the manufacture of PVC synthetics (Union Carbide), copper wire and cable (Phelps Dodge), and galvanized steel pipe (Thai-American Steel Works, an affiliate of Castle and Cook).

Finally, a number of foreign firms, including American ones, are interested in exploring or developing the copper resources of the Northeast, the zinc deposits on the Burma border, and possible gypsum, fluorite, and barite deposits in other parts of the country.

The interest of foreign investors was confirmed by a questionnaire circulated by the American Chamber of Commerce showing 12 member firms (not necessarily American) contemplating investment in Thailand of $13 million in the immediate future.

Thailand dedicated its first earth station for satellite communications in March, greatly improving commercial communications with the United States and the rest of Asia. Further equipment to link Thailand to the proposed Indian Ocean satellite will probably be ordered from U.S. suppliers.

In 1969 a North-South microwave communication network using mostly German equipment will go into use. In September the Telephone Organization of Thailand opened bids on a $22 million project for improving the telephone system of Thailand. The Japanese are the low bidders by far, but the bids are yet to be evaluated.

New TV aerials are appearing in villages throughout Thailand. Thailand is scheduled to change over to the 625-line international system two or three years from now, subsequently operating simultaneously with the American system for a period.

Using extra capacity

The rapidly increasing Thai development expenditures of the past two years are well-timed because they permit use of the extra design capacity, contractor capability, and skilled labor being released from military construction for the U.S. forces. The Thai Government is using some of these assets by channeling skilled labor from terminated U.S. construction projects into other parts of the economy, and by using private construction firms on government construction contracts.

Manufacturing advances

Thailand's industry (manufacturing, mining, and construction), is contributing much to economic growth and now constitutes over 21% of Thailand's GNP. Manufacturing, particularly, is outstripping the record levels set in 1967. Manufacture of construction materials has continued to expand. For the first four months of 1968, cement production totaled 604,000 tons, up from 543,000 tons for the like period in 1967. Plywood, construction timber, and steel reinforcing bars have followed suit.

Auto, truck, bus, and farm tractors are being assembled in about the same quantity as 1967 despite an import policy which has permitted increased imports of wholly-assembled vehicles. Thailand's only presently operating tire factory, Firestone, is operating at capacity. Two new tire factories have been started—one by Goodyear and the other by Bridgestone of Japan.

There has been a considerable expansion in new plant capacity thus far in 1968. Siam Cement and Jalaprathan are expanding capacity to 2.5 million tons per year.

A Thai-Norwegian joint-venture paint plant opened in March capable of producing 2,000 tons of paints per year, thus bringing Thailand's total production up to 10,000 tons per year. Consumption is about 18,000 tons. Four other joint-venture plants, including one Thai-U.S. firm, have either started or will soon begin construction of additional plants, making Thailand almost self-sufficient in production of paints.

The expanded Bangchak Petroleum Refinery, with a capacity of 20,000 barrels per day, went on-stream in May. This plant, plus the Thai Oil Refinery Corporation and the Esso Oil Plant, are all operating at capacity. Chemferco, Thailand's only fertilizer plant, with a capacity of 60,000 tons of ammonium sulphate and 30,000 tons of urea per year, has been operating continuously since February of this past year.

Construction activity has maintained its rapid momentum. Hotel and apartment house construction has leveled off, but construction of new houses and new plants have more than taken up the slack. Land costs for industrial sites in the Bangkok-Thonburi area have skyrocketed in the past few years. This has particularly affected small- and medium-sized domestic investors.

The Ministry of Industry in 1965 purchased a large plot of land north of Bangkok to develop as an industrial estate. For lack of funds this plot was never developed, but in June of this year the Ministry of Industry purchased 240 acres of land at Minburi, west of Bangkok, to develop an industrial estate for small industries not requiring sewage removal. The Ministry's plans, however, are severely hampered by lack of funds available to complete the project.

A few insurance firms are in trouble because of undercapitalization, poor management, and too much competition. In response to this, the Thai Government in late 1967 imposed new regulations on the insurance industry to enforce minimum standards.

In June the Government assumed control of four of the nation's twelve life insurance companies because the firms were unwilling or unable to abide by the new regulations. In August the Government returned control of two firms to their management, but it appears doubtful whether the other two will resume their activities.

Asian Development Bank gathers momentum, President says; Nepal mission reflects agriculture push

Unit has already received applications for more than 20 proposals costing $100 million; period of steadily rising activity foreseen

Takeshi Watanabe, President of the Asian Development Bank, told a team of economic writers recently that the tempo of the Bank's activity had gathered considerable momentum in recent months.

Watanabe said that the Bank was processing a wide spectrum of loan requests from developing member countries. He said the pipeline of applications included well over 20 proposals for an aggregate sum in excess of $100 million.

The ADB President, who was addressing a group of economic writers undergoing a training course in Manila, said: "It is not appropriate for me to anticipate the decisions of my Board of Directors; but if all goes well, I hope to submit to them within the next few weeks up to four loan applications for an aggregate amount in excess of $20 million. These loans will be in the industrial fields, infrastructure and agriculture.

"Fisheries have also received our attention and, as you may have heard, we are financing a feasibility study for a fisheries port in Manila; we might also be considering an application for a deep-sea fisheries project in another country.

"We are also dealing with a wide variety of technical assistance requests from several countries, some of which have the potential of creating additional loan applications in due course."

No 'go-slow' approach

The ADB President predicted a "period of progressively rising activity, a prospect that belies any apprehension about a 'go-slow approach' on the part of the Bank. I am convinced," he stressed, "that given the complexities of certain project proposals and some of the inevitable formalities which both the borrowing countries and the lender have to go through, the time taken by the ADB compares favorably with that by other international organizations.

"I fail to see how the Bank can discharge its basic responsibility to its member countries and to its Charter except by pursuing sound policies of lending. In this capital-hungry region, there is obviously no justification for bad or indifferent loans; and in the long run the creditworthiness, the efficacy and success of the ADB will depend on the extent to which it pursues sound development banking principles," Watanabe pointed out.

He said the Bank's performance can be judged by facts. "In a relatively short span of one and a half years, the ADB has been able to build a team of 80 professionals drawn from 22 countries; formulate broad policy guidelines in respect of its operational activities; initiate and develop a close working relationship with member countries on problems of mutual interest; sponsor and complete a major regional agricultural survey and initiate preliminary action for a sub-regional survey in the field of transportation; provide technical assistance to Indonesia, Korea, the Philippines and Vietnam in different spheres of economic development efforts and sanction a $5 million loan to Thailand and a $2 million loan to Ceylon; and initiate action on the establishment of Special Funds primarily for concessional lending, with promising response from developed member countries."

He added that "no organization can afford to function on the basis entirely of past or borrowed know-how and experience. The ADB, as a regional organization," he said, "has to develop its own individuality, its own contacts, knowledge.

Watanabe then cited the Asian Agricultural Survey, in particular, which he said "has provided us with a frame of reference that will greatly facilitate and influence our lending activities in the agricultural sphere."

Meanwhile, in further activity along these lines, the ADB agreed to send a technical assistance mission to Nepal to study the organization and working of its Agricultural Development Bank and suggest specific measures for making the bank's operations effective.

The Agricultural Development Bank, which formally came into existence in March this year through a process of transformation of the Cooperative Bank, is the main source of agricultural credit and finance in Nepal.

The ADB's technical assistance mission will examine the role of various farm credit institutions in Nepal; review the Agricultural Development Bank's operational procedures and methods of processing and appraising loan applications and suggest appropriate measures for effective supervision of loans; and extend assistance in the fields of accounting, training of staff and branch management.

Austria extends foreign trade law with minor changes

The Austrian Parliament recently passed the revised Foreign Trade Law, which replaces the law of 1956. The law relates to exports, imports and compensation agreements irrespective of whether such transactions involve payment or not.

The revisions of the Foreign Trade Law are primarily of a formalistic nature and do not affect the basic principles of Austrian trade policy. It will go into effect on Jan. 1. Noteworthy changes include:

► Authorization of the Federal Ministry of Commerce, Trade and Industry to impose temporary controls on the exportation or importation of certain goods in cases of economic emergencies, with the approval of the Parliament. At present such measures must be decided by the Cabinet;

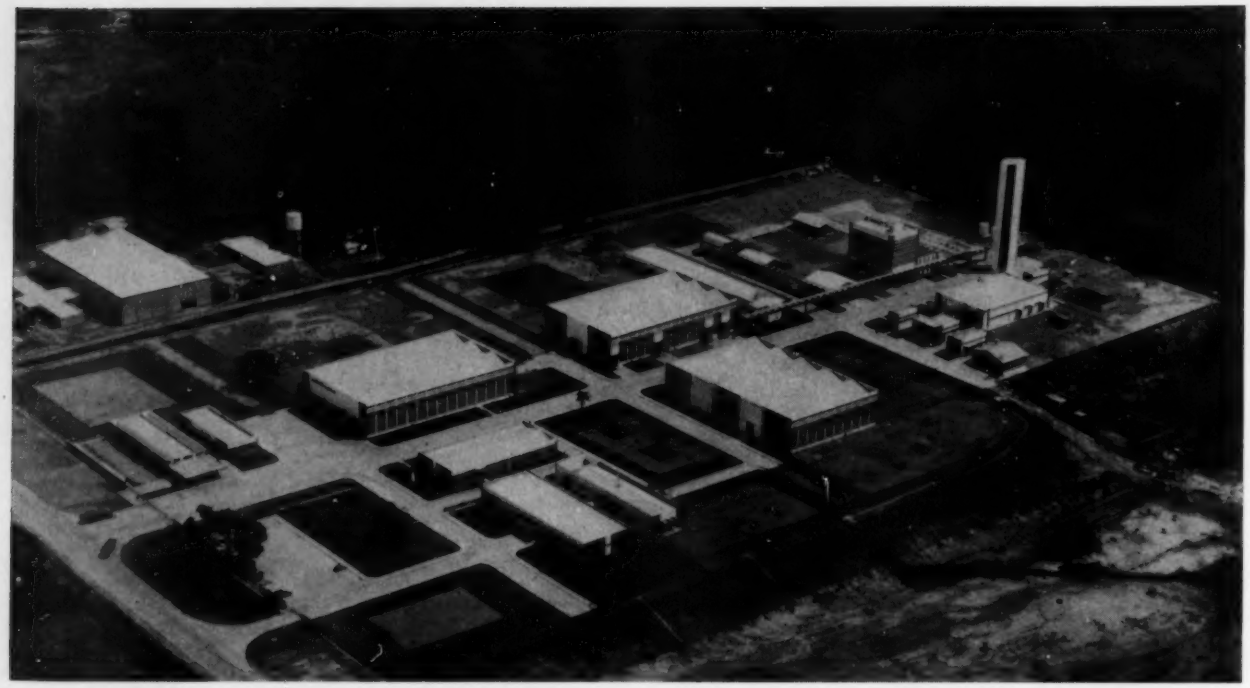
► The unlimited validity of the new law which is regarded as the essential instrument of foreign trade policy:

► Increases in the ceilings on the value of shipments exempt from licensing requirements, in consideration of the general increase in prices since enactment of the old law in 1956;

► The provision increasing the minimum amount for import licenses which must be submitted to the Advisory Council on Foreign Trade for review has been increased from the equivalent of $5,800 to $7,700.

A loan copy of an informal translation can be obtained from the European Division, Office of International Regional Economics, U.S. Department of Commerce, Washington, D.C. 20230.

The revised Foreign Trade Law was published in the *Bundesgesetzblatt fuer die Republik Oesterreich*, No. 71 of August 9.



NORTHEAST BRAZIL'S SPECIAL INCENTIVES to investors supplied more than 50% of the capital for this paint factory near Recife. Plant opened Jan. 1.

NORTHEAST BRAZIL

Incentives draw investors

Area's growth rate exceeds rest of country's; per capita income doubled in 1960-68

By FRANCIS R. CAMPBELL
Vice Consul, U.S. Consulate General, Recife

A unique incentives program to promote economic development in Brazil's Northeast has been in operation for eight years and is having a remarkable degree of success. The program provides an ingenious blend of government priorities and private enterprise that is serving the Northeast region, all of Brazil, and private investors equally well.

Northeast Brazil is larger than the United States' eastern seaboard and gulf states (except Texas) combined. It has an estimated population of 27 million people. A drought in 1958 devastated this already poor region, and caused the Brazilian Government to initiate a broad program of recovery and economic development.

Partly due to these efforts, of which the investment incentives program is a part, the gross product of the region is growing at an estimated rate of 7% which is faster than the rest of Brazil, and per capita income more than doubled from about $65 in 1960 to an estimated $140 in 1968.

Principal feature

The principal feature of the Brazilian Government's investment incentives program in the Northeast (generally referred to as 34/18, after the articles in the laws which instituted and modified the program) is that corporate entities in Brazil may deposit up to 50% of their annual income tax obligation in a blocked account in the regional development bank (Banco do Nordeste do Brasil-BNB) for investment in industrial, agricultural or telecommunications projects approved by the regional development agency SUDENE (Superintendency for Northeast Economic Development).

Depositors under this program retain the right, within certain time limitations, of choosing in which approved projects to invest their money.

SUDENE recently proposed legislation whereby the time for full freedom of choice would be limited to one full calendar year following the year in which final payment of the icome tax is due. For the next full calendar year, the depositors would choose among specific projects selected by SUDENE. Should the deposit holder still not select a project, he is given the option of investing in a specific project selected by SUDENE or having his deposit revert to a Fund for Mineral Research.

Deposits are released only for use in projects approved by SUDENE and can be used either as loans to or equity in

those projects. Approval of a project by SUDENE does not involve the automatic release of 34/18 funds; the deposits are released only after the depositor has indicated his willingness to invest in the approved project, and then only after certain stages of the project have either been initiated or completed.

The deposit holder may use the incentive funds in his own project or that of another party. The other party need not be a company previously established in Brazil but, of course, would have to incorporate in order to obtain the benefits of the program. In return for investing in a project, the 34/18 deposit holder receives non-voting preferred shares in the new company which are non-transferrable for a period of five years.

Variety of projects

If the 34/18 funds are loaned to a new project, repayment does not begin until five years after production begins. Due to the increasing number of projects approved by SUDENE, 34/18 deposit holders have a wide variety of projects in which they may invest. Deposit holders may choose to invest in one project or in several.

When SUDENE approves a project, it also determines the percentage of 34/18 funds that the project will be allowed to utilize—usually 25, 50 or 75%. If the project is determined to be in the 'A', or 75% category, the tax deposits can be utilized at a rate of three new cruzeiros for each one of private capital.

SUDENE determines the priority of a project by means of an elaborate point system which considers:

- the importance of the project to the industrial development of the region, i.e., it is either a basic industry or one that has a multiplier effect;
- the number of jobs to be created;
- the proportion of regional raw materials to be used;
- the substitution of goods or materials bought outside of the region; and
- the probability of success in other Brazilian or foreign markets.

Although it is interested in spurring the economic development of the region, SUDENE cannot offer more protection to new projects than that available under national industrial or customs policy. Moreover, SUDENE keeps a watchful eye on market potential, and will not approve projects for sectors where it believes sufficient productive capacity already exists.

Therefore, for the next few years, at least, it is not likely to approve more projects for cotton textile yard goods, cement or breweries. On the other hand, sufficient opportunity seems to exist in food processing or packaging, household equipment and appliances, and machinery and equipment manufacturing, to name a few.

In addition to the 34/18 investment incentives, SUDENE also offers such benefits as full or partial exemption from federal income taxes (states may also grant exemptions on state and municipal taxes); exemption from customs duties on imported equipment, if similar equipment is not manufactured in Brazil; and it will approve special loans by the BNB or the National Economic Development Bank. American investors have the additional advantages of being able to obtain AID financial participation in feasibility studies and having their investment protected by a U.S.-Brazil investment guarantee agreement.

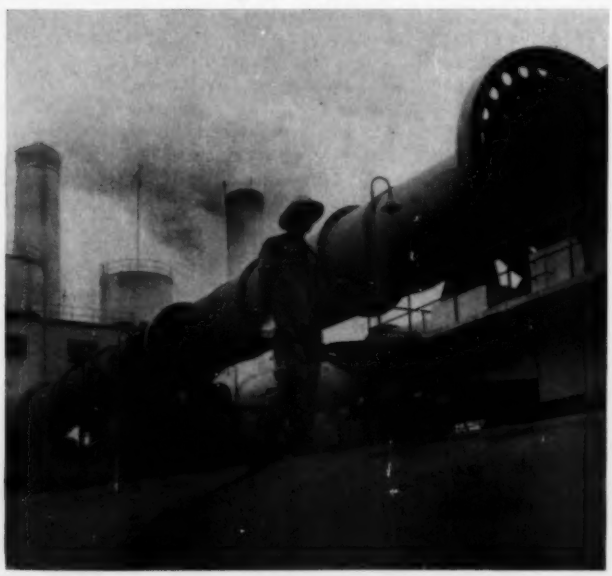
The impact of the program can be noted from the fact that in the period 1963-65, 250 new industrial plants were approved by SUDENE and 150 existing plants were modernized or expanded. Industrial investment in the Northeast will probably exceed $200 million in 1968, of which one-half or more will be in 34/18 resources.

High quality firms

The quality of some of the foreign and Brazilian firms who have taken advantage of the program—such as Union Carbide, Matarazzo, Five Lille, Ray-O-Vac, Bunge Born, Morton Salt, Willys Overland, American Cyanamid, Pirelli, and General Electric—is also testimony to the attractiveness of the program as well as to the potential of the region. Many smaller firms, of course, also have projects in the operational or planning stage.

For further information on incentives in Northeast Brazil, **write:** FUNDINOR-Fundaçao Para O Desenvolvimento Industrial do Nordeste Caixa Postal 1824 Recife, Pe., Brazil, or SUDENE—Departamento da Industrializacao, Edf. Juscelino Kubitschek, Recife, Pe., Brazil.

ARATU INDUSTRIAL CENTER at Salvador was sponsored by SUDENE to attract investments to the area. First project to go into production was the cement plant at left, while the sign at right advertises for more firms to take advantages of the incentives offered to investors in Brazil's Northeast.



Sun, safaris build sales

U.S. equipment suppliers can follow visitors' paths to lively market in many countries

By ALFRED M. LIVERIGHT
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The African continent is sharing in the upward trend of world tourism, now a $14 billion enterprise. In fact, despite interruptions by political events in 1967, African tourism grew at a rate better than the world's.

LIVERIGHT

Tourist arrivals there last year rose 9% to 1,917,000 persons, while receipts increased 10% to a record $254 million, estimates the International Union of Official Travel Organizations (IUOTO).

But while the African countries are doing well in this highly competitive field the same thing cannot be said of U.S. suppliers of tourist-related goods and services to the African market.

With more and more countries coming to recognize tourism as one of the principal exploitable resources in their economic development efforts, African nations' development plans reflect increasing allocations of resources to this industry. This translates into increasing opportunities throughout less-developed Africa for sales of capital and consumer goods and services related to tourism. Our export performance in response to these opportunities is checkered, however.

The import component of building and equipping hotels in Africa varies substantially from country to country and according to the class of hotel involved. The percentage of imported products incorporated in a particular facility may range from almost 100% for a deluxe plant to less than 20% for a modern, comfortable tourist hotel.

A study undertaken by the United Nations Economic Commission for Africa (ECA) last year on tourism in North Africa estimated that the value of imported items for a tourist-class hotel accounts for 18-35% of total construction costs. Then there are the costs of imported materials required to operate the facilities: about 25% of drinks, food, and cutlery purchases represent imports, states the ECA study.

The report goes on to estimate hotel construction costs in the four Maghreb countries of North Africa, concluding that costs are lowest in Tunisia and highest in Libya. Assuming that, to meet anticipated requirements of European and North American tourists, one-half of the new hotel capacity in North Africa is of first-class or four-star rating, 35% is tourist class (i.e., built and furnished less expensively), 10% is inexpensive chalet-type or safari camps, and 5% is deluxe, estimated hotel construction costs in dollars per bed were as follows in 1965:

	Deluxe	First	Tourist	Chalet/ Safari
Algeria	**6,200**	**4,500**	**3,500**	**1,100**
Libya	**7,000**	**5,000**	**4,000**	**1,400**
Morocco	**6,200**	**4,500**	**3,500**	**1,100**
Tunisia	**6,000**	**4,350**	**3,400**	**1,250**

The percentage component of hotel costs spent on imports will decline in the future owing to the development of local industries; for Tunisia the figure is estimated to have dropped overall from 40% of total investment to perhaps 20-30%. A new Tunisian steel mill, a modern furniture factory, quality rug production, the opening of a ceramic sanitaryware plant, etc., are factors in this trend.

The amount of business to be done by foreign—including American—suppliers to Africa's tourist industry nevertheless continues to climb because of the need to accommodate the steadily increasing numbers of international tourist arrivals throughout the continent. The possibilities are wide-ranging in terms of product categories and services.

There is an excellent market for American hotel equipment, which is generally competitive with such items produced in Europe and elsewhere. This includes kitchen, laundry, and air conditioning equipment, as well as a great variety of hardware, doors, windows, etc., which are manufactured by many smaller American companies. In particular there is a demand for materials featuring easy installation and which require less maintenance. A good example is aluminum window frames. Tourist-related recreation equipment of U.S. origin also has a good potential and, in fact, is already making inroads in several African countries.

Attention of INTERNATIONAL COMMERCE *readers is called to the special 20-page section on African Marketing in last week's issue. It contains background information that complements the data in this article.*

U.S. Share Varies

Data from the U.S. Department of Commerce's *Market Share Reports* (1962-66 Country Series) reveal that, in sales of selected U.S. manufactures related to the tourist industry, trends are more pronounced along country lines than by commodity categories in our largest markets north of the Zambezi River. Items such as prefabricated builders' woodwork, linens and other furnishing articles of textile fabrics, iron and steel and aluminum structures and parts, food-processing machines, non-domestic refrigeration equipment, indoor game equipment and outdoor sport goods are enjoying a good or growing market in at least several of the dozen or so countries surveyed, though not necessarily the same country for each product category.

Certain country commodity-performance concentrations do occur, nevertheless, most noticeably Kenya and Morocco on the favorable ledger, and Libya on the negative side. In addition, Algeria, Nigeria and Tunisia show either a downtrend in U.S. export performance or a static and negligible market share in a majority of the categories.

Ivory Coast also stands out as a country in which the U.S. performance appears to be poor in a majority of the commodity groups. But there is a distinguishing feature: the newness of that market to U.S. suppliers. In twice as many categories—five—as for any other country reviewed, American products gained entry into the local market only in the latest year or two of the five-year period covered by the latest *Market Share Reports*. (For a free catalogue describing this series of reports including country coverage, contact any Commerce Depart-

ment Field Office or write U.S. Department of Commerce, Sales and Distribution Branch, Room 2119, Washington, D.C. 20230.) Ivory Coast thus represents a new market overall for U.S. goods. In other countries, across-the-board trends are not so obvious, unless it is that the trends in both total imports and the U.S. share is one of fluctuation.

The distortion of market competition by continued close cultural and commercial ties with the colonizer is most evident in the cases of Algeria, Ivory Coast, Kenya, and Libya; in each country, the former metropole is the major supplier in at least two-thirds of the commodity categories. France, of course, is the benefiting country in two of the four instances, but to the extent that non-traditional, strictly market factors may play an increasing role, the current wage increases in France should eventually raise the prices of that country's exports and make those goods less attractive.

On the other hand, the potential cost benefits resulting from the United Kingdom's devaluation of the pound sterling last fall have not been passed on to purchasers overseas, so that the U.K. has not improved its position significantly in Kenya—or in Nigeria, where the British also maintain the dominant if not overwhelming supplier position in most of the commodity categories in question.

Recreation, particularly out-of-doors, has become an important component of tourism. In addition to travel for pleasure purposes, today's tourist—abroad as well as at home—is looking for the diversionary facilities that are provided by campgrounds, hunting preserves, and ski areas. The increasing tempo of hotel construction and renovation in Africa provides increasing opportunities for U.S. manufacturers to supply auxiliary tourist/recreation equipment either as part of a resort-complex package or as separate facilities if located in cities or tourist resorts. Naturally, tourist-related use does not account for all the present demand for these groups of commodities, but it does presage an increasingly lucrative market in particular products including miniature golf courses and bowling alleys.

The most dramatic examples of how fast tourism has come on as a major foreign exchange earner are found in Tunisia and Kenya; it ranks second only to coffee now in the latter country and is likely to be second to none by the end of the decade. Only one country outside southern Africa, Morocco, had larger absolute international tourist receipts in 1966, but tourism ranks much lower on the earnings scale in that country. In Tunisia, however, this sector has probably already surpassed rock phosphate and olive oil to become the largest single source of foreign exchange earnings.

HOTEL EXPANSION IN WEST AFRICA is symbolized in the new 30-story, 300-room tower addition to the Hotel Ivoire in Abidjan, Ivory Coast, operated by Intercontinental Hotels Corp. Original hotel has been in successful operation since September 1963. A sports complex surrounds the buildings.

Increasingly, national development plans are giving due accord to tourism as a growth sector in the economy. Government tourist ministries and national tourist offices are being established to implement planning and further encourage the industry's growth. Further evidence of the importance accorded tourism by African governments is the benefits being written into foreign investment laws, which include refund or deferment of duties assessed on imports of materials and equipment for new hotels and other tourist-related projects, liberal financing out of public funds, and the granting of subsidies to cover the costs of architects' fees.

North Africa

Long coastlines and warm climates, plus the historical sites of earlier civilizations, have given impetus to the development of mass tourism in the countries of North Africa. The governments concerned have, by and large, undertaken organized action to hasten this development, now that new possibilities in transportation have made tourism truly international in scope.

The outstanding fact about today's tourist is his remarkable mobility, which has promoted the growth of regional tourism as the obviously effective response. The result is an increased need for cooperation among the countries of the same region—cooperation in promoting the region as a package and in lowering the cost of traveling in the region.

The ECA study on North African tourism investigated the nature and demand in the field of tourism. The recommendation on accommodation facilities calls for the concentration of hotel investments in the larger well-equipped resorts not too far from a large city. In addition, modern hotel establishments should be built in cities which have a strong tourist appeal. To provide facilities for touring families (and resident families on vacation), coastal resorts should also have bungalow-type hotels (with kitchenettes in rental units), motels, and camping sites in addition to the traditional type hotels.

The ECA study forecast the following hotel-bed capacity requirements for North African countries:

	1965	1970	1980
Algeria	**8,000**	**23,000**	**73,000**
Libya	**4,492**	**6,200**	**18,700**
Morocco	**13,800**	**45,000**	**80,000**
Tunisia	**9,616**	**45,000**	**90,000**

The forecast is based on enterprises in which governments and related agencies are directly or indirectly involved. It is possible, the study continues that under favorable conditions private initiative may

accelerate the scheduled development. Meanwhile the individual countries are making varied progress.

Algeria—With only a half dozen hotels in the country currently approaching international standards, the Algerian Government is funding several new projects. These include a 200-bed hotel in the existing Moretti (Club des Pins) complex near Algiers, several hotels in the Annaba area (including an elaborate luxury facility), and a tourist complex west of Oran. Additional hotels are under construction in the Middle South. Earlier this year, plans announced for the depressed Aures region included mention of a tourist hotel for Biskra.

Some $60 million has been allocated for new facilities in a tourism development plan which has not yet been adopted by the Government. The plan emphasizes the need for coastal resorts large enough to attract charter business and for hotel construction in oases towns to provide comfortable accommodation at all stopovers of bus tours through the Sahara. Additionally, the Finance Law of 1968 lists the equivalent of U.S. $6 million in proposed loans and advances for Algerian tourism.

The French, not unexpectedly, hold a commanding position in Algeria's tourist industry. The Algerian market in general is one still basically oriented toward France, although it is beginning to turn somewhat to the other Common Market countries. At the same time, there is a growing commercial relationship with the communist countries. Within Algeria the pattern of expanding socialization extends to the foreign trade field. Trade controls exist, and most tourist-industry imports other than industrial equipment are subject to license and quota restrictions.

Libya—The large-scale exploitation of oil deposits has created favorable conditions for the overall development of Libya including tourism. The most immediate prospects are for developing facilities—resort hotels and bungalows-with kitchenettes—to meet the rising domestic tourist demand resulting from the growing numbers of both resident foreigners and wealthy Libyans.

The ECA North African study finds there is a good possibility for successful development of international tourism in Libya as well, despite present high costs in that country. To accommodate both types of tourists, the creation of one or more large coastal resorts which include entertainment and social events is recommended. Negotiations were concluded in May of this year between the Government and Hilton Hotels Corporation for construction of first-class hotels in Libya's principal cities, Tripoli (300 beds) and Benghazi (200), and the Government reportedly has been considering offers from motel operators for the construction and operation of motels along Libya's coastal highway.

APPEAL OF NORTH AFRICA is its sunny climate; proximity to Europe, and colorful scenery, typified by this Libyan oasis. Libya has actually lingered behind its Maghreb neighbors of Morocco, Algeria and Tunisia in tourism development while concentrating on development of oil resources.

Earlier the Libyan Government established a Tourism Ministry and also called for the establishment of 60 and 40-room hotels in 15 smaller cities, and a number of hotels at seven points along the coast. A new Five Year Plan scheduled for inauguration next April will undoubtedly provide for further development of Libya's tourist industry.

The U.S. is Libya's second-ranking supplier overall, far behind Italy, but only because of large petroleum industry sales. Otherwise, the performance of American business in Libya has been much less impressive than it could be.

In all fairness, though, it should be stated that in some respects the Libyan economy outside the oil sector has only recently reached a stage of development where it could use equipment in which the U.S. has decided technological or competitive advantage. Therefore it appears likely that our sales of institutional equipment will pick up. U.S. building materials have encountered severe competition from Italy and other European suppliers; however, an active market is expected to develop for quality building materials in which the U.S. can compete. In particular there is demand for material requiring less maintenance plus ease of installation.

Interest is also developing in synthetic textiles, with a potential market existing for institutional textiles—especially easy-to-maintain materials. Opportunities exist for greater involvement of U.S. architectural and engineering firms in the public as well as the private components of the non-petroleum sectors of the Libyan economy, advises the U.S. Embassy there.

Morocco—Tourism is the outstanding growth industry of Morocco, which is only a ferry-ride away from Europe. This latter fact undoubtedly played a large part in the decision last year of the U.S. firm Ramada Inns to invest in a chain of eight motels of 60 guest units each.

The Moroccan Government has taken the initiative in encouraging investment in tourist facilities and is participating directly in the financing of this and most other major projects, including new hotels recently completed or under way in Rabat, Fez, Marrakech, Agadir, Al Hoceima, Tangier, and other areas on the Mediterranean. Holiday Inns is constructing hotels with a total of 1,200 rooms in the first three cities and Tangier. Between 1960 and 1966, ten new hotels with a total of 1,200 rooms were constructed, again with government aid. Price stabilization has been a great help for hotel building and creation of new resorts.

Activity is particularly evident in Tangier, where a "tourist zone" of some 340 hectares is to be developed and an ultimate goal of accommodations totaling 20,000 beds is envisioned; the preliminary target, however, is to have 8,500 beds by 1972. With a luxury-class Interconti-

nental Hotel now open and three other hotels presently under construction, what Tangier really needs is medium and lower-priced facilities to house the bulk of the tourists, many of whom come from the United Kingdom via Gibralter and do not have much money to spend.

Morocco's new five-year (1968-72) development plan will concentrate on five sectors of the economy, including tourism which will receive $34 million of the total $998 million planned expenditures. Considering the number of tourists who visit Morocco's northern neighbor, Spain, the possibilities for expansion of the local tourist industry are almost unlimited, reports the American Embassy in Rabat.

Exporters of American hotel equipment who are willing to make the required effort to develop sales in the relatively sophisticated and highly competitive Moroccan market should be able to cash in on this expansion. An overall liberalization of imports a year ago eliminated discrimination by monetary zone or through trade agreements; goods from France no longer enjoy a preferred position in the import scheme. Structural changes in the Moroccan economy, prompted for the most part by the Government's concentrated funding in certain key sectors including tourism, are altering the composition of the country's imports. The United States, as second-ranking supplier to Morocco behind France, should be a prime beneficiary of this trend.

Tunisia—Tourism is one of the best-performing parts of the Tunisian economy, with an estimated investment equivalent to $7.3 million last year and a 27% increase in value added. Tunisian Office of Tourism figures for 1967 show that the total number of foreign visitors continued to climb last year—although at a slower rate because of the Near East crisis—to 231,088, of whom 7,807 were Americans. The number of tourist nights grew 24%, however, and gross earnings rose from $26 million to over $30 million.

The Government of Tunisia actively encourages tourism and has legislated some of the most liberal incentives in Africa to attract private investment. Provisions of particular interest to U.S. exporters of goods and services include: 1) Subsidies to cover all or part of architectural and construction studies relating to a tourist facility, and 2) a total or partial refund of customs duties on imports of necessary tourism equipment.

The current four-year (1965-68) development plan has been characterized by large private investments in the hotel industry and by a greater diversification of hotel plant. The plan provided for construction of 4,000 beds during this period, but the actual number had already increased by 10,000 from the end of 1964 to 17,581 at year-end 1966, according to the U.N. Economic Commission for Africa's report. (The outline of the next Four-Year Plan, which will begin in 1969, projects public and private investments during this period of $1.07 billion, 11% of which is earmarked for tourist projects.) Planned construction of other new hotels should bring total capacity considerably in excess of the 20,600 beds in 150 hotels that existed by the end of 1967, as reported from another source.

For years Tunisia's No. 2 supplier, the U.S. is running France a close race for the top spot this year. Thanks is due our aid to Tunisia, which includes a commodity import program under which, last year, hotel equipment was introduced to the local market. Such equipment has permanent market possibilities, but a drought-induced shortage of foreign exchange owing to large foodstuffs imports will limit opportunities to diversify U.S. exports to Tunisia in the short term. A new sanitaryware plant at Bizerte will dampen prospects for imports in that category.

Eastern Africa

International tourist arrivals in the Eastern African region accounted for one-sixth of the African total in both 1965 and 1966; Kenya and Zambia received the major share. It should be noted, however, that day visitors from neighboring Rhodesia swelled the Zambian figures by almost 100%.

Wildlife has proved the greatest boon to tourism in the area, while beaches in the coastal countries, plus scenic attractions and historical sights of archaeological interest, offer the visitor a diversity of environments and different combinations of itineraries. Accordingly, a 1963 U.N. Economic Commission for Africa study on the economic aspects of tourism in the Eastern African sub-region recommended that development of game areas, beaches, and scenic spots should receive priority. Plans should include the provision of adequate transport, especially in Ethiopia, and a sufficient variety of accommodations to suit the needs of the different classes of tourists. In fact, the governments of the respective countries have recognized the value of tourism and now include the development of tourist attractions, national parks, and transportation in their development plans.

The three East African countries—Kenya, Tanzania, Uganda—began joint efforts as early as 1948, and tourism officials of these countries met in July to discuss possible areas of greater cooperation in promoting tourism within the new East African Community (the three countries are already known throughout the travel world as a unit). An even broader regional promotional effort is envisaged as the jet plane increases the "spillover" territory from the traditional tourist centers.

Ethiopia—A pilot survey of Africa's tourist prospects carried out under IUOTO auspices in 1966 placed Ethiopia in the top rank of African countries offering unusual attractions. The 21% compounded average growth rate of visitor arrivals over the period 1963-66 (from 19,200 to 33,700, according to Ethiopian data) would seem

EAST AFRICA'S FAMOUS VICTORIA FALLS and its game parks are a spur to hotel building in Zambia, where Intercontinental Hotels Corp. is operating in partnership with the Zambia Industrial Development Corporation. Problems with Rhodesia have slowed tourist travel from the south.

to support this ranking. The Ethiopian Tourist Organization (ETO) projects a growth in number of visitors to 105,000 a year by 1972, with tourist receipts amounting to $14 million.

This will require substantial additions to Ethiopia's hotel and transportation capacity, however, as is recognized in ETO's plans for the future. These plans include: 1) Financing a study to identify priority areas for tourism to outline goals and strategy for the industry during the course of the country's third five-year (1968-73) development plan, details of which should be released soon; 2) promotion of "tourist villages" to encourage local handicraft and other tourist industries; 3) recommendation of investment incentives needed to encourage foreign private capital investment in the tourist sector; 4) establishment of a hotel training school and promotion of hotel training programs and hotel standardization; and 5) working with other countries, such as Kenya, to promote multi-destination package tours.

In Addis Ababa, a 500-bed Hilton Hotel is under construction which will increase capacity in the capital by 50%. Plans envisage increasing the number of beds in principal areas other than Addis Ababa and Asmara from the present 224 total to 1,477 beds by 1972 at an estimated cost of $5.6 million.

In addition to plans for rapid expansion of tourist facilities such as hotels and resorts, the Ethiopian Government hopes to establish national parks and game reserves (including controlled game areas where hunting will be allowed under special permits), for which it will need foreign know-how as well as capital. Services loom as a particularly vital need in Ethiopia's tourism picture. Hotel management is an especially difficult area to supply locally; many hotels in the country lack adequately-trained personnel and are losing money.

The United States, in fourth place as a supplier of the Ethiopian market, should be able to increase its share of the market through greater sales of heating and cooling equipment among other industrial and capital items whose importation is not likely to be affected by prior deposit requirements imposed on a temporary basis earlier this year.

Kenya—Tourism, the fastest growing sector of the Kenyan economy, threatens to outstrip available accommodations. The main factor has been a surge in visitors on vacation, whose numbers leaped by 52% in 1966 and 44% in 1965 over the preceding year.

The urgency of the race to cope with the increase in tourist arrivals is underscored by estimates of a 22-25% annual increase in arrivals through 1970, which would double the 1966 total of 106,000 "international arrivals." (In addition, an estimated 23,000 visitors arrived from Kenya's common market partner states of Tanzania and Uganda in 1966.) Some 55% of the 1966 total represented vacation trips, and the percentage may increase to two-thirds by 1970.

IMPORTS OF BUILDING MATERIALS as a factor in the tourist industry expansion will be affected by local development of supply sources. Africa's new steel mills, furniture factories, ceramics works, rugmaking enterprises, and lumber mills will change the supply picture in the years ahead.

Kenya's revised 1966-70 development plan calls for an investment of $18 million in hotels and lodges—more than two-thirds to come from the private sector. Provision is made for 900 new beds in wildlife lodges, compared with the 456 total in mid-1966, and for adding to the 1,500 beds on the coast at the start of the plan, 1,000 beds in new hotels and 400 to existing facilities by 1970. Two international-class hotels under construction in Nairobi will add more than 800 beds to the 1,000 currently available in the capital, while extension and modernization of existing hotels is also under way.

The growing popularity of air charter all-inclusive holidays is an important aspect of the rapid rise in tourism in Kenya, and points to the need for more medium-priced facilities if Kenya is to realize fully the potential this class of tourism represents. In fact, the current development of large-scale facilities is expected to give way to an increasing number of smaller projects with equity participation by the two-year-old Kenya Tourist Development Corporation (TDC).

Just this past spring, a new hotel firm with TDC, Kenyan Government, and international participation announced that it will invest nearly $3 million in Kenya's tourist industry. Plans include two 100-bed lodges, plus a 200-bed hotel on the beach near Mombasa.

The U.S. ranks fourth as a supplier to Kenya, after the U.K., West Germany, and Iran. Given the country's liberal trade policy, the main obstacle facing U.S. exporters has been Kenya's reliance on European sources of supply and the U.K. in particular. A market exists for hotel equipment and other tourist-related exports, nevertheless. While many of the building materials required for Kenya's expanding tourist accommodation can be obtained locally, the majority of the equipment for installation in the hotels and lodges will continue to be imported. Even in building materials, large volumes must continue to be imported.

Kenya and East Africa in general offer numerous opportunities for sales of U.S. building materials and hardware, especially aluminum extrusions and decorative locksets, door knobs, and allied products. These and similar small-size commodities are particularly suited for display at the Sample Display Service operated by the American Embassy in downtown Nairobi. Although American technology and mechanical expertise in capital goods are respected in the region, in most lines European firms are reportedly offering better after-sales service, and therefore are enjoying a larger share of the market.

Again in Kenya, a distinct opportunity exists for a particular class of service industry—business, management, administrative, and planning consultants. American methods are relatively unknown, but the need for such services will increase as Kenyan tourism becomes increasingly developed.

Tanzania—The development of tourism in Tanzania is being hindered by a lack of accommodations for visitors. Only three new hotels have been built since independence, of which two are in Dar es Salaam; a 250-room Hilton Hotel is scheduled to be started this year, also in the capital. Government policy reportedly calls for no less than 50% equity participation by the National Development Corporation (NDC) in hotels located in the national wildlife parks, but all other hotel development possibilities are open to the private sector to develop independently or in partnership with the Tanzanian Government, as preferred.

The NDC has a two-phase development plan for new and renovated accommodations, to cost some $5.6 million for the 910-bed initial stage. The second stage will cost about $11.2 million. In both stages, the NDC intends to seek partners in these investments. Indications are that coastal attractions will be stressed, with game-viewing excursions thrown in. First-stage plans call for construction of three 100-bed lodges inland plus a 60-bed fishing lodge on Mafia Island in the Indian Ocean; also 200-bed hotels on the beach in Dar es Salaam and Zanzibar. It was announced in August, though, that the hotel in Zanzibar is now planned for 150-bed capacity and that an Israeli firm will perform the architectural work. Completion of this particular hotel is scheduled in 12 to 18 months. A British company is associated with the NDC and apparently will have a major role to play in the overall tourist-development program, however.

Uganda—Plans for the further development of Uganda's tourist industry have been spelled out in a recent Government White Paper, which emphasizes new hotel construction, a publicity campaign concentrating on Europe and North America, and creation of The Uganda Tourist Board (UTB) to replace four organizations currently responsible for carrying out the Government's tourism plans. It is estimated that the number of visitors to Uganda will have increased threefold in five years to 67,500 by 1971. Annual tourist spending that year is calculated at $13.9 million.

On the other hand, new construction and expansion costs are not expected to exceed $5.9 million through 1971. By then, hotel construction under UTB auspices is to provide lodging for an additional 544 persons in Kampala and the larger towns, and 288 in the game park lodges. New roads and improved lake steamer facilities are to make accessible a number of new attractions.

Zambia—Tourism in Zambia has been adversely affected by neighboring Southern Rhodesia's unilateral declaration of independence. The largest number of visitors have traditionally come from Rhodesia and South Africa, and in the first full year following the Rhodesian action (1966), visitor arrivals declined by almost 11,000 to 107,469, according to Zambian statistics. Nevertheless the current flow of visitors is taxing Zambia's hotel capacity, and the Government projects 155,000 tourist arrivals alone (exclusive of business and day visitors) for 1970—compared with 22,167 visitors in this category in 1965.

In partnership with Zambia's Industrial Development Corporation, Intercontinental Hotels Corporation is completing a 200-room hotel in Lusaka and one of 100 rooms in Livingstone, the urban areas of greatest need. Under the country's First National Development Plan (1966-70), the goal is to have good but inexpensive hotel accommodation available in every major rural center, and most of the smaller ones also, by the end of the four-year period. In addition, facilities will be constructed at the major tourist attractions which are not adjacent to urban and rural centers. The objective of the tourist program section of the development plan is to create a complex of tourist attractions centered around the game parks, Livingstone and the Victoria Falls area, and Lake Kariba.

West Africa

The regional approach to tourism is most urgent in West Africa, where most of the countries lack the finances to develop the industry individually and adequately. Recognizing the economic potential in the tourist industry, though, they have banded together in an *Office pour le Developpement du Tourisme Africain* (ODTA, or Office for the Development of African Tourism). Represented at ODTA's most recent annual meeting last November were Cameroon, Central African Republic, Congo (Brazzaville), Congo (Kinshasa), Dahomey, Ivory Coast, Mali, Mauritania, Niger, Senegal, Togo, and Upper Volta; The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone sent observers.

The main areas of ODTA's activities for the current year are the solicitation of funds and technical assistance from sources outside the organization, arranging promotional campaigns through European and American travel agencies, counseling on tourism projects proposed by member countries, and encouraging the elimination of red tape and travel restrictions which tourists face in many African countries. Obstacles to be surmounted in the region generally include inadequate accommodations outside the larger cities, the relative inaccessibility of tourist attractions, and high living costs.

Cameroon—Increasingly aware of its potentially significant tourist industry, Cameroon has embarked on an ambitious program of new hotel construction that already exceeds the total investment of $7.6 million in such projects projected in the country's Second Five-Year Plan (1966-71). Construction has begun on a 250-room luxury hotel in Yaounde, which will include golf facilities and a swimming pool. Israeli interests are involved, and a hotel training school is planned as part of the plant.

Cameroonian and French interests have joined forces to build a hotel of 40-50 rooms at Garoua, largest city in Northern Cameroon, and to expand and improve existing hotel facilities in the region. In addition, the Cameroonian National Investment Society announced plans some time ago to construct a chain of hotels in Cameroon's coastal belt, including a large

FUNDS AND TECHNICAL AID are needed by the West African countries to develop tourist attractions. This open fish market in Ivory Coast is an example of the colorful appeal of the region.

GHANA HAS RETURNED TO JOINT PRIVATE OPERATION its State Hotels Corporation and is seeking private funds. This is the Ambassador Hotel in Accra.

new hotel in Douala, and to develop beaches and tourist accommodations at Victoria and the ocean resort of Kribi. Douala added four new Cameroonian-owned hotels and expanded a fifth last year for a total of about 140 rooms, almost doubling capacity in the country's largest city. Most of the Douala activity is related to the increasing number of foreign business visitors.

Ghana—Ghana is still operating under an economic/stabilization program designed to lay the necessary groundwork for a resumption of sustained economic development. Despite continuing balance-of-payments stringencies, however, future economic prospects are good and should be strengthened by a new two-year (1968-70) development plan which has just been unveiled. The plan, which emphasizes the need for private-sector investment throughout the economy, does not specifically mention the tourist industry, however. Earlier, the Government commissioned a West German firm to study the feasibility of developing the Keta-Avu Lagoon area in the Volta Region. Among aspects to be investigated is the potential for recreation facilities.

The new development plan calls for a further retrenchment in imports of consumer-type goods in favor of capital equipment for the expansion of industrial production, some 85% of which is currently concentrated in the agro-industrial area. Accordingly, few opportunities to supply tourist industry equipment are foreseen for the immediate future.

The Ghanaian Government is seeking to return to private hands or joint government-private operation 18 of its 50-odd state corporations. Included in the joint-operation category is the State Hotels Corporation, which has contracted with Intercontinental Hotels Corporation to manage two hotels in Accra. The Government is also seeking private participation for a modern hotel in Tema which has not yet opened.

United States aid to Ghana has been resumed and includes a commodity import component; but no tourism items per se. This aid helps to account for our rank as second supplier overall after the U.K. to the Ghanaian market.

Expansion of this share encounters difficulties which include local unfamiliarity with American manufacturers' products, specifications, and commercial usages, as opposed to British and Common Market suppliers with whom Ghanaians have long had business dealings.

Ivory Coast—Attractions to satisfy diverse tastes make Ivory Coast another West African country with a good tourist potential, even though the inventory of tourism possibilities remains incomplete and the development of certain worthwhile sites is made difficult by the absence of adequate infrastructure. Concerning accommodations, no squeeze is seen for Abidjan by the end of the year: the 220-room Hotel Ivoire is completing a 300-room, 30-story addition, along with an artificial lake, casino, skating rink, and golf course, among other facilities. Managed by Intercontinental Hotels, the combined facilities will be able to accommodate 60,000 guests a year.

The Ivorian capital has some 730 rooms ranging from satisfactory to luxury class, over 90% of which are air conditioned. In the remainder of the country, however there are only 370 rooms of similar standards—one-fourth of them in Bouake—and fewer than 150 are air conditioned. A number of projects are reportedly under study by the Government of Ivory Coast to develop lodging facilities (including air conditioned bungalows) in other parts of the country, such as at Ouango-Fitini.

The Ivorian economy is booming, and few countries in West Africa—or all of tropical Africa for that matter—have so much promise of sustaining a rapid rate of growth. While substantial increases in U.S. exports to this predominantly-French market are not anticipated at this time, the Ivorian Government is beginning to implement its long-anticipated trade diversification policy. Temporary tariff reductions were recently approved on several items of interest to the United States, including air conditioners. On the other hand, imports from France and franc zone countries are exempt from import licensing and quota restrictions as opposed to imports from the United States, which require licenses and which may be imported only under a global quota program.

In recognition of the Ivorian market potential, two special promotional efforts will be made in Ivory Coast this year in behalf of American products. An official U.S. Department of Commerce Trade and Investment Mission will appraise opportunities there for selected commodities, including food processing and refrigeration equipment, this November; the mission will also visit Cameroon. And the American Business Club of the Ivory Coast is organizing an "America Week" at the Hotel Ivoire to follow the mission.

World Bank loans will assist Malaysian water supply, communication projects

Goods and services will be procured through international bidding; two loans totaling $8 million help nation meet growing demand

The World Bank has approved two loans totaling $8 million to Malaysia; one to improve its domestic and international telecommunications system and the other to increase by about one-third the water supply in Kuala Lumpur, the main center of population, commerce and industry in the Malay Peninsula. All imported goods and services required for the projects must be procured through international competitive bidding.

Although communication systems have been steadily expanded and modernized in recent years, the demand for telecommunication services in Malaysia has surpassed the growth of facilities and of available services. In particular, the number of waiting applications for telephones has more than doubled during the period 1962 to 1967, although the growth rate in the number of telephones throughout Malaysia averaged 9.2% per year over the same period. The backlog of unsatisfied demand is now almost the equivalent of two years of installation at the 1967 rate.

Annual demand for new direct exchange lines was estimated at about 11% of the total installed telephones and the proposed installations are planned to meet this essential demand.

Heavy long-distance traffic

There is also heavy traffic on long-distance systems. Recent improvements such as the introduction of subscriber trunk dialing on high quality circuits have led to a high growth of demand. The result has been congestion of the trunk system, which requires urgent extension. In addition, services need to be further improved and extended to certain interior areas of the country, especially in Sabah and Sarawak.

The proceeds of the loan will principally cover equipment for local and long-distance networks and telex equipment.

The Kuala Lumpur area, to be served by the water supply project, has considerable economic significance to the country. The project now being undertaken will increase the existing water supply by 14 million imperial gallons a day. The total cost of the project is estimated at $7.7 million equivalent. The Bank's $3.6 million loan will cover the foreign exchange component.

The project comprises the first stage of a long-range program to use the Langat River as a major source of water supply for the Kuala Lumpur area. It includes intake works on the river, raw water pumping station, and pumps and a raw water pumping main to a new treatment plant where the water will be filtered and chlorinated.

Provision is also made for transmission mains from the treatment plant to the Kuala Lumpur area, terminal storage reservoirs, and additional distribution mains needed to strengthen the existing distribution system and to extend the areas of supply.

New Mexican import form goes into effect Jan. 1

A new shipping document to be executed by exporters in addition to documents already required has been instituted by the Mexican Government, and will be required on all shipments entering the country beginning Jan. 1, 1969.

Data required on the new form, in Spanish, are: complete name and address of the exporter and importer; customhouse of entry; numbers and marks, quantity, and kind of packages; net weight; description of the merchandise; value of the merchandise; and freight, insurance, handling and other costs.

The form includes a sworn statement by the exporter that the data given therein coincide with those contained in the shipping documents and that the price of the merchandise is that stipulated in the purchase-sale agreement. Appropriate forms, in English, French, and Spanish now are being printed and should be available from Mexican Consulates around mid-November.

This new form replaces a requirement established early this year, but never enforced, that shipments be accompanied by a copy of the official document through which export was affected (for the United States the Shippers Export Declaration).

Peru makes exceptions for some banned imports

Peru has issued a decree permitting the entry of goods prohibited under a recent decree (202-68-HC) banning certain luxury imports, provided that such shipments were covered by shipping documents visaed by a Peruvian consul on or before June 26, the date the import prohibition became effective. These exempted imports, however, are subject to payment of the additional 10% surcharge provided by the June 26 decree.

Barbados ups some duties

The Government of Barbados has increased the import duty rates on some forty luxury type and some other items imported into Barbados. The rates on these items heretofore were negligible or free.

Included in this recent list of items are the following: alcoholic and non-alcoholic beverages, various toilet articles, explosives, table service ware, typewriters and other office machinery, and file cabinets.

In increasing tariffs Barbados has maintained the point spread between the Preferential and General Tariff Schedules (10 percentage points in most cases). For example, an item previously dutiable at 10% and 20% ad valorem, respectively, might now be charged 15% and 25%.

U.S., Philippines to resume 1955 trade agreement talks

The second meeting of the American and Philippine teams, to discuss the concepts underlying a new instrument to replace the Laurel-Langley Trade Agreement of 1955 after its scheduled expiration in 1974, will begin October 7 in Washington.

The undertaking of early discussions was agreed upon by President Johnson and President Marcos in their meeting in Washington in September 1966. The respective teams were named in June 1967 and held their first joint discussion in November 1967 in the Philippines. (The Jan. 22 issue of INTERNATIONAL COMMERCE reported on the issues discussed and conclusions reached during the initial discussions last November). At the forthcoming talks, the two teams will again be headed by Deputy Assistant Secretary of State Eugene M. Braderman for the United States and Under Secretary of Industry Cesar Virata for the Philippines.

French parliament to study investment incentive program

Tax credit, payroll tax reduction are among proposed measures

The French Government has announced a series of investment incentives which were due to be submitted to a special session of the parliament in late September. The principal feature of the legislative proposal is a temporary tax credit, similar to the one which went into effect in 1966 (INTERNATIONAL COMMERCE, July 18, 1966).

The new 10% tax credit against income tax liability will be allowed on purchases of investment goods qualifying for depreciation over eight years or more and will also apply to machine tools and certain trucks and tractors. It will be allowed on goods ordered after June 1 and delivered between Sept. 1, 1968 and Dec. 31, 1969, as well as on equipment delivered in 1970, if ordered prior to July 1, 1969.

Companies with no income tax liability will have an option to take a 5% credit against their liability for the value-added tax (TVA). Also, certain transitional provisions, which limit the exemption from TVA of capital goods purchased by retail and service firms which became subject to TVA following the Jan. 1 reform will be abolished.

In addition, the government will offer interest rate subsidies on virtually all long-term borrowing and will expand lending for economic, social and regional development projects. Finally, the payroll tax of 5% will be permanently reduced to 4.25% on Jan. 31, 1961, at which time the temporary export subsidy will expire (INTERNATIONAL COMMERCE, July 22). The total cost to the government of the incentive package is estimated to be approximately $670 million for 1969 alone.

Another significant government action was the removal on Sept. 4 of exchange controls which have been imposed during the May-June general strike (INTERNATIONAL COMMERCE, July 1.)

More detailed information on the French investment incentives may be obtained from the Commercial Intelligence Division of the Bureau of International Commerce as report #DIB-68-10-067.

Hog bristle certificates available from Singapore

Certificates of origin, for hog bristles, issued by the Trade Division, Ministry of Finance of the Government of Singapore under procedures agreed upon between that government and the U.S. Treasury Dept.'s Office of Foreign Assets Control, are now available. They can be used for importation into the United States directly, or on a through bill of lading, from Singapore.

Spanish subsidies will aid purchase of farm machinery

The Spanish Government has announced subsidies for the purchase of farm machinery and equipment which should prove of interest to American manufacturers.

An Order issued by the Ministry of Agriculture dated July 27, and published in the State Gazette of Aug. 5, sets forth the terms.

The program is being implemented by the government to promote agricultural mechanization, and the subsidies will be granted to those individual farmers, firms, cooperatives, brotherhoods, syndical unions, and others who meet certain requirements spelled out in the Order.

The subsidies granted by the government cover the purchase of the following equipment: special tractors (a subsidy of up to 20% of the cost of the machine); special machinery for soil preparation (up to 20%); ploughs and sensible gear, rotating hoes, regeneration machinery, and machines for special culture (30%); injectors and distributors of liquid fertilizers, special fertilizing machinery (up to 30%); soil sterilizers and special machines for phytosanitary treatment (30%); seeding machinery, sugar beet precision seeders, etc. (up to 30%); harvesting machinery (35%). These percentages will be revised annually by the Ministry, and will be increased by 10% in each case when the applicants thereof are brotherhoods, cooperatives, union groups or any other farmers' associations.

In order that the purchase of a specific machine can be subsidized as provided for in the Order, the manufacturer or importer of the machine must submit it to the government for general approval.

World Bank loan assists Chilean highway project

$11.6 million to buy maintenance equipment, advisory services

The World Bank has approved a loan equivalent to $11.6 million for a highway maintenance project in Chile. This loan will assist in the financing of the Chilean Government's four-year highway maintenance program, including the acquisition of maintenance, workshop and other equipment, and of consulting and advisory services. All imported goods and services required for World Bank-financed projects must be procured through international competitive bidding.

An important factor in the economics of road transport is the reduction of vehicle operating costs resulting from wear and tear. This can be significantly helped by adequate highway maintenance, which is the responsibility of the Highway Department of Chile's Ministry of Public Works and Transport. The capital expenditures of the Department's new four-year maintenance program will amount to the equivalent of about $17 million; the World Bank loan will cover most of the foreign exchange requirements connected therewith. The Chilean Government will meet the rest of the capital expenditures, as well as about $130 million equivalent of recurrent local expenditures required for the execution of the program.

Transport planning consultant

A small but important part of the new Bank loan will be for advisory services to the Ministry of Public Works and Transport on transport coordination and investment planning. For this purpose, the Ministry will engage an expert to provide advice and recommendations on establishing an effective transportation planning office and on improving policies and planning for all forms of transport.

The expert will also define the scope of a transport survey, with particular emphasis on those areas where additional detailed studies are required, including the preparation of a five-year investment plan for Chile's transport sector.

The other consulting services to be financed under the new loan will be for continued supervision of road construction and for preparation of a new highway construction program.

Chile to buy U.S. goods and services

$30 million in AID funds available for purchase of variety of items

The Agency for International Development has authorized a loan of $20 million to Chile for procurement of goods and services in the United States. In addition to the new funds, about $10 million is also available from prior programs, thus making a total of about $30 million in AID funds which are available to Chilean importers for purchases of U.S. products.

The $30 million will be used by Chilean importers to purchase specifically listed items of capital and non-capital goods published in AID Procurement Information Bulletin No. 68-27 of Sept. 19. In addition to the list, the AID Bulletin contains the names and addresses of Chilean importers who have imported the items listed, so U.S. suppliers can contact these importers directly.

U.S. firms are advised to enclose brochures, catalogs, price lists and other material describing the products offered. If the reputation of the supplier is not already well known, he should also submit appropriate evidence of reliability.

Special trade incentives

The Government of Chile has agreed to provide a number of special trade incentives to Chilean importers using the AID funds, including:

Elimination of prior import deposits;

Tariff reductions for capital goods imports;

Credit extension for purchases of foreign exchange to cover imports, and

Maximum annual interest rates of 9% for the period of the credit.

Import licenses will probably be issued to Chilean importers by the Central Bank of Chile, and procurement is expected to be accomplished over the next six months. The incentives offered to importers should stimulate purchases of U.S. imports.

Payment for goods purchased under the loan may be made through either letters of credit to be issued, confirmed or advised by U.S. banks, or on a collection basis. In the case of transactions settled on a collection basis, the Central Bank of Chile has agreed to eliminate the normal waiting period of up to 132 days after the date of the bill of lading before making the foreign exchange remittance, and will instead make remittance to U.S. suppliers immediately on purchase of foreign exchange coverage by the importer.

In determining whether to request a letter of credit or rely on collection settlement, U.S. suppliers should pay particular attention to the credit-worthiness of the importer. All provisions of AID Regulation One pertinent to commodity financing will apply to these transactions.

Copies of the AID Bulletin are available from Department of Commerce field offices and from AID Office of Small Business, Washington, D.C. 20523.

French firm loses its U.S. export rights

Ets. Jean Bailly & Cie, of Lyon, France, has been denied U.S. export privileges for an indefinite period.

The action was taken by the Commerce Department's Bureau of International Commerce (BIC) to prevent evasion of a denial order entered against Yvon LeCoq of La Roche, Savoy, France, in January 1963. According to BIC, LeCoq is a director of the Bailly firm and is a responsible official in its trading activities.

The firm was given an opportunity to show cause why the action under the U.S. export regulations, naming it as a related party to LeCoq, should not be taken, but did not avail itself of this opportunity.

All outstanding export licenses in which the Bailly firm has an interest have been revoked, and the firm, its agents and employees are prohibited from participating in any transactions involving commodities or technical data imported from the United States.

The U.S. export regulations provide that without authorization from the Department of Commerce, no party may trade in commodities or technical data exported from the United States with a party he knows has been denied U.S. export privileges.

A list of banned firms is contained in the Comprehensive Export Schedule. Firms which do not subscribe to the Schedule can obtain listings of banned companies from the Investigations Division, BIC-848, U.S. Department of Commerce, Washington, D.C. 20230.

Brazil firm to get U.S. mining, railway items with Exim loan

The Export-Import Bank has authorized a $17.7 million Alliance for Progress credit in favor of Companhia Vale do Rio Doce (CVRD), Brazil's largest producer and exporter of iron ore. Proceeds of the loan will help finance the sale of U.S. goods and services.

Purchases will include 12 diesel locomotives with spare parts to be supplied by the General Motors Corporation, as well as some 42,000 tons of special heat-treated rails, a traffic control system, and possibly other equipment for which U.S. suppliers have not yet been selected. Inquiries regarding these latter purchases should be directed to Rony Lyrio, Managing Director, Itabira International Co. Ltd., 640 Fifth Ave., New York, N.Y. 10019.

Foremost in the three-year expansion and modernization program is the opening of new mines, enlargement of the Tubarao iron ore export facility, installation of two ore pelletizing plants, and modernization of the railway system. The program is expected to double ore exporting capacity from 12 million tons in 1967 to 24 million tons by 1971 and will permit the production of higher grade and more uniform ore products. Total cost of the program is estimated at $165.2 million.

Eximbank finances sale of Boeing jet to Japan

The Export-Import Bank has authorized a $1.8 million credit to Japan Air Lines, Limited, Japan's international flag carrier, to help finance the purchase of a Boeing 727 jetliner costing $5.9 million, including spare parts and related services.

In addition to a $1.9 million cash payment by the airline the Bank of Tokyo Trust Company, New York, will lend $2 million, repayable in seven semi-annual installments beginning in June of 1969. The Boeing Company, supplier of the aircraft, will lend Japan Air Lines $200,000, and Eximbank will lend the remaining $1.8 million. The Boeing and Eximbank loans are both repayable in seven semiannual installments beginning in December of 1972. Eximbank's credit is to be guaranteed by The Japan Development Bank.

U.S. licensees sought by six foreign manufacturers for varied products

Items offered are bench ends, orchard mower, presses, laminating process for paper industry, other products

Manufacturers in Great Britain, West Germany and Denmark are seeking U.S. licensees to produce and distribute their products for the U.S. market.

The British and German firms are offering bench ends, an orchard mower, and industrial presses; and the Danish firms are offering know-how in the lamination of paper and cardboard, and in the production of clothing and cream cheese.

For additional details and the name and address of the firm, write the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230 referring to the appropriate File number assigned each opportunity listed below.

• A British aluminum castings firm is interested in licensing a U.S. company to manufacture and distribute its bench ends in the U.S.

Each bench end is shaped like an "h", with the top part of the left perpendicular bar being on a gradual reclining angle. Two boards measuring 1" x 6" can be placed through hollow slots in the horizontal portion of the bench ends to form the seat of the bench, and two boards of the same dimensions through the hollow slots in the top portion of the left perpendicular portion of the bench ends to form the back of the bench. The lower portions of the ends serve as legs.

The bench ends can also be used to make single seat chairs, or in multiples to form any length bench desired. Being of a special alloy, the ends do not require painting, and are extremely light and easy to handle. **File 1646.**

• A British machinery manufacturer is seeking a U.S. licensee to produce its grass cutting apparatus which is especially suitable for use in fruit orchards.

The machine, in 3- or 4-blade models, is tractor-mounted and hydraulically driven. It has a low profile, measuring only 11" in height, to prevent damage to fruit on the lowest branches. The machine is fitted with two large discs instead of conventional wheels and can achieve under normal orchard conditions a cutting speed of about four acres an hour. The machine can drop grass in place or can mulch to conserve moisture around tree bases.

Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

A silver medal for unique design was awarded at the Royal Show held recently at Stoneleigh Abbey, Warwickshire on this machinery which is also used in lieu of gang mowers for cutting grass in parks, on playing fields, and golf courses. **File 1647.**

• A West German manufacturer of industrial presses is interested in a U.S. licensee to produce its die forging, wedge, double sided crank presses; its special presses for cold forming of metal; and its hydraulic, straightening and bending presses.

The standard die forging presses, or those with automatic beam transfer have pressing forces ranging from 3,000 to 10,000 tons; the wedge presses have pressing forces from 2,000 to 3,150 tons, or more, the double sided crank press has from 630 to 1,000 tons force; the vertical cold extrusion presses vary from 630 to 1,250 tons force; the horizontal cold extrusion presses have 1,000 tons pressing and gripping force; and the horizontal oil hydraulic bending and straightening presses have from 100 to 900 tons pressing force.

The manufacturer is also interested in cross-licensing agreements with U.S. manufacturers of like or related products. **File 1648.**

• A Danish company is offering to U.S. licensees the know-how in laminating of paper and cardboard in sheets and rolls with plastic film such as cellulose acetate, PVC, and polypropylene. These films, of course, give printed matter, book covers, posters, brochures, and such, a glossy protective covering.

The company has formed an international group of licensees which exchanges information of technical and commercial nature, especially on research and development, for the benefit of all members of the laminating group. **File 1649.**

• A Danish clothing manufacturer is seeking a U.S. licensee for its know-how in the production of lace for women's wear, and all kinds of warp-knitted plain and patterned materials.

The company offers pattern designing, technical designing, and technical and commercial assistance. In addition, it is prepared to negotiate investment—either capital or equipment—in addition to the licensee agreement, so that the project would become a joint venture. **File 1650.**

• A Danish dairy would like to license its cream cheese manufacturing process to a U.S. producer.

The cheese is manufactured according to a special recipe developed by the dairy, and is distinguished by a guaranteed keeping quality of three months without refrigeration. The product can be manufactured on a fully automatic production line. Licensee agreements have been concluded in several European countries. **File 1651.**

Licenses to make various products sought by U.K. firms

Interests vary from machinery, heating equipment to chemicals

Licenses to manufacture concrete machinery, products and structures; heating equipment for the heavy clay industry; and equipment for the petro-chemical industries are sought by three British companies. The proposals follow:

• An engineering firm which is involved in the manufacture and distribution of industrial and domestic heating equipment, commercial steam power plants, metallurgical furnaces and equipment for the heavy clay industry, is interested in establishing manufacturing, sales or distribution arrangements with U.S. companies in complementary fields.

Write: L-R Dudley Ltd., 16 Moss Grove, Kingswinford, Staffordshire, England. WTD.

• A British manufacturer and distributor of concrete machinery and products such as oil, solid-fuel and gas industrial boilers and domestic heating equipment desires arrangement with U.S. firms for representation, assembly or licensed production of concrete machinery, machines and equipment for the construction industry, concrete products and structures, including flooring.

Write: Trianco Limited, Imber Court, East Molesey, Surrey, England. WTD.

• A British manufacturer and distributor of heat exchangers, pressure vessels, chemical processing machinery and nuclear equipment seeks licenses.

The firm is interested in the manufacture of products associated with the chemical and petro-chemical industries such as high and low duty heat exchangers, specialized pressure vessels, waste heat boilers, plate and tube evaporators, distillation columns and cooling towers, wet scrubbers and product recovery cyclone separators.

It also wants to make process equipment and systems including fired heaters, thermal and chemical reactors, pyrolysis and cracking furnaces, lubricating oil blending and grease mixing equipment, gas drying and purification apparatus and water treatment and desalination equipment.

An executive of the British firm plans to visit the U.S. later this year and will be happy to hold discussions on licensing agreements with firms responding to this announcement.

U.S. firms interested in obtaining additional information should **write:** Mr. J. J. Lindsay, Commercial and Sales Manager, W. E. James and Sons (P. E.) Limited, Kingston Road, Leatherhead, Surrey, England.★ WTD.

Nine new Malaysia openings provided for U.S. investors

Preinvestment survey available on each specific opportunity

Malaysia's Federal Industrial Development Authority (FIDA) has added nine more industrial projects to a list of 20 projects identified earlier this year, which offer investment possibilities for U.S. firms. An announcement describing the first 20 projects and outlining the investment incentives offered U.S. investors by the Malaysian Government was published in the May 13 issue of INTERNATIONAL COMMERCE.

The nine new projects include opportunities for the weaving of mosquito netting materials, the manufacture of rubberized coir, high tensile bolts and nuts and weighing machines and the processing of pineapple bran from pineapple waste. Also, the production of PVC leather cloth, tetracycline capsules, carbon black masterbatch and marking pens are contained in the additional list.

The FDIA has compiled a brief preinvestment survey that provides information on the domestic market, required capital investment and the availability of raw materials for each specific opportunity.

To obtain further details on the industrial projects and information on investment incentives interested U.S. firms are requested to write: Dr. Heinz Rudolph, Director, Federal Industrial Development Authority, P. O. Box 618, Kuala Lumpur, with a copy of their request to the Commercial Attache, American Embassy, Kuala Lumpur.

Venezuelan proposes water pump venture

Promoter seeks U.S. partner to participate on joint basis

A well established Caracas importer and distributor of water pumps seeks a joint venture for the assembly and eventual manufacture of a full range of turbine, centrifugal and deepwell submersible water pumps.

A U.S. firm is offered majority participation in the proposed enterprise in return for supplying capital or equipment. Technical assistance would also be necessary, as the Venezuelan firm has no manufacturing experience.

The concern, which presently represents U.S. and European pump manufacturers, also handles the design and installation of complete water systems. It is a member of a group of companies engaged in construction engineering and has excellent connections in this area. It has already received a permit from the Government of Venezuela to produce pumps.

At present, the marketing of water pumps in Venezuela is subject to import licenses. Although import licenses are still being granted, it is anticipated that import licenses for the more common types of water pumps will not be given after November 1.

U.S. pump manufacturers seriously interested in investigating this opportunity and obtaining further details are requested to **write:** Office of International Investment, U.S. Department of Commerce (BIC-878), Project Number 69135, Washington. D.C. 20230.

Dutch firm wants license to make containers, bags

A license to manufacture nylon reinforced multiwall containers and bags for distribution in the Benelux countries is sought by a Dutch firm.

The company currently produces kraft paper bags, shipping sacks and multiwall bags for all industries utilizing packaging materials, but particularly for fertilizer and food producers.

Write: Van Esso's Zakkenhandel N.V., 4 Eendrachtstraat, P.O. Box 42, Meppel, The Netherlands. WTD.

Colombia invites bids on irrigation, drainage systems construction

The Colombian Institute of Agrarian Reform (Instituto Colombiano de la Reforma Agraria) wants tenders on the construction of the civil engineering works of Unit One, First Stage of Development of the South Sector, Atlantic Project No. 3. The works will be partially financed with funds provided by the World Bank.

The project, estimated to cost 37,000,000 Colombian pesos (approx. $2,235,649), is located in the southeastern part of the Department (State) of Atlantico, near the point where the Canal Del Dique is separated from the Magdalena River. It consists of a sprinkling irrigation system fed by a principal canal which receives water from the Magdalena River by means of a pumping station. A drainage canal with a maximum depth of six meters, which ends at a pumping station delivering to the Canal del Dique, will be used to gather the surplus irrigation and slack water. The area to be irrigated amounts to 4,000 hectares, of which it is expected that 1,200 will be put into operation in 1969 and the rest in 1971.

The works included in this tender are: construction of approximately 32 kilometers of principal irrigation and drainage canals, 117 kilometers of side drains, installation of 120 kilometers of pipe, service roads, concrete structures and secondary pump stations. The principal pump stations for irrigation and drainage will appear in another tender.

The work should begin in January, 1969. The works corresponding to the first 1,200 hectares and the complete drainage canal should be delivered before April 1, 1970, and the rest before April 1, 1971.

Potential bidders must register with the Instituto Colombiano de la Reforma Agraria (INCORA), Centro Administrativo Nacional, Via Eldorado, Bogota, Colombia, and obtain copies of the specifications (Pliegos de Condiciones), which cost 5,000 Colombian pesos (about $302) for the first copy and 200 pesos (about $12) for each additional copy. This fee is non-refundable.

Kuwait wants planners to help modernize city

Experts in town planning who would be interested in designing major changes in the rapidly expanding inner city of the Municipality of Kuwait should apply to the Planning Board for registration.

Planning for the inner city will include a government center to bring ministries and departments from diffused present locations into a central area, major modification of the street system to handle the rising flood of auto traffic, and development of recreation areas. Some preliminary design work has been done in most of the principal areas, but the objective now is to integrate various projects into a Master Plan. A date for issuance of invitations has not yet been established.

Consultants invited to submit proposals on major government projects are generally selected from a Consultants Registry. Interested U.S. firms should apply for registration to: Ahmed al-Duaij, Director General, Planning Board, P.O. Box 15, Kuwait, Kuwait.

Tunisia calls for bids to build, supply plant

The El Fouladh Iron and Steel Mill, 122 Rue de Serbie, Tunis, has issued a tender for the construction and equipping of a wire drawing plant at the El Fouladh Iron and Steel Mill in Menzel Bourguiba.

The plant envisaged is designed to produce 9,000 metric tons of wire of varying sizes and types as a first state of operations and 16,000 tons of wire of even greater variety at a later stage.

The call for bids is divided into several parts: patenting works; pickling works; drawing works, including a die shop and testing facilities; annealing works; a galvanizing line; a stress relieving line; cranes, trucks and wire-lifting hooks; and electric power facilities.

The bidders may bid on either the total project or one or more parts. The bid deadline is Oct. 3.

A copy of the tender, in French, is available on a short term loan basis to firms domiciled in the U.S. from the GIE Division, BDSA-588, Department of Commerce, 20230. Telephone: 202-967-5585.

Argentina to remodel airport

The Argentine Air Force is inviting bids for the remodeling of landing strip 17-35 and adjoining area of the Cordoba Airfield. The official budget for this project is 855,957,288 Argentine pesos (approx. $2,445,592).

Deadline for submission of bids is Oct. 15.

Copies of conditions can be obtained for 50,000 Argentine pesos (about $143) from Fuerza Aerea Argentina, Direccion de Infraestructura, Jose E. Uriburu 754, Buenos Aires, Argentina, by asking for Public Tender No. 3/68.

Iraq to build housing project

The Government of Iraq calls for general building contractors to bid on the construction of 112 houses with one rest house and shops for employees.

Bid deadline is Oct. 15.

Specifications on the project are available for 30 Iraqi dinari ($84) from the Cashier, Oil Planning and Construction Administration, Baghdad, Iraq.

Brazil calls for bids on transformers, regulators

Sealed bids will be received by the Companhia Auxiliar de Empresas Eletricas Brasileiras (CAEEB) at the office of its Coordenador de Compras, Avenida General Justo, 171 sobreloja, ZC-39, Rio de Janeiro, GB, Brazil, until 14:00 hours (local time) on Oct. 28, for the furnishing and delivery of power transformers, instrument transformers, and voltage regulators as described in CAEEB Specifications Nos. BX-A-11565-R, BX-A-11569-R, BX-A-11570-R, BX-A-11583-R, BX-A-11584-R and BX-A-11574-R, required for the expansion of the subtransmission and distribution systems of four electric utility companies represented by CAEEB.

Bids must be submitted strictly in accordance with the instructions and specifications prepared by CAEEB, and in the forms furnished by the same. These instructions, specifications and forms, which comprise the bidding documents, will be available in both Portuguese and English and may be obtained only at the above address not later than 30 days after the publication of the invitation for bids, upon request to the Coordenador de Compras, accompanied by a non-refundable payment of 60 new cruzeiros ($1 = 3.20 NCr) per set of documents in the two languages.

A bid guarantee of no less than 5% of the value of the proposed material up to a limit of 1,200,000 new cruzeiros or the equivalent in foreign currency, shall accompany each bid.

Construction bids sought for desalination plants

The Kuwaiti Ministry of Electricity invites proposals for construction of sea water distillation plants and/or power generation water distillation plants to be built by the contractor for purchase by the Ministry of either the output of the plants under long-term contracts, or the plants themselves under terms to be agreed upon.

Each firm submitting a proposal is also required to submit an alternative offer for construction, under contract to the Ministry, of flash distillation units with a total capacity of 25 million Imperial gallons per day, with the units to be coupled to the 500 megawatt thermal power station now under construction at Shuaiba. The estimated cost of this latter alternative is about $30 million, while that of the long-term purchase or output purchase alternatives cannot readily be estimated.

All proposals are to be submitted through a Kuwaiti agent or associate, by Dec. 28. A detailed description of the form in which proposals are to be made is available to interested U.S. firms at the Water Resources and Engineering Services Division office, Room 4111, Department of Commerce, Washington, D.C. 20230.

World Trade Opportunities Continued through page 40

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- **indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.**

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-618, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

131 Crude petroleum and natural gas

● **PAKISTAN**—Crude oil requirements for Pakistan Refinery Ltd. (capacity to process more than two million tons of crude oil per year) for period 1969-1971. Bid deadline Sept. 26. Tender documents, including instructions to tender, detailed requirements and conditions of contract may be obtained from the Secretary, Pakistan Refinery Ltd., Korangi, Karachi on payment of Rs. 20/0 per set.

202 Dairy products

● **HONG KONG**—Full cream spray-dried milk powder, 40,000 lbs. Tender No. Stores A-23119. Bid deadline Oct. 4. Controller of Stores, Stores Department, Oil St., North Point, Hong Kong.★ (Telephone: 202-967-3814).

● Skimmed milk powder, 2,400 lbs. Tender No. Stores A-02024. Bid deadline Sept. 27. Secretary, Tender Board, Colonial Secretariat, Central Government Offices, Lower Albert Road, Hong Kong.★ (Telephone: 202-967-3814).

204 Grain mill products

● **HONG KONG**—Pressed peanut cake, 15,330 lbs.; coarse wheat bran, 175,556 lbs.; fine wheat bran, 38,390 lbs.; yellow corn, 348,496 lbs.; lucerne meal, 21,135 lbs.; pig mineral, 10,416 llbs.; soy bean meal cake, 29,059 lbs.; and yellow maize meal, 19,995 lbs.

Tender No. Stores A-02024. Bid deadline Sept. 27. Secretary, Tender Board, Colonial Secretariat, Central Government Offices, Lower Albert Road, Hong Kong.★ (Telephone: 202-967-3814).

209 Food preparations

TAIWAN—Salad oil for manufacturing mayonnaise. Trio Trading Co., Ltd. (importer, agent), P.O. Box 22114, Taipei. WTD in preparation.

220 Textile mill products

SWEDEN—Piece goods, all materials, for women's, boys', girls' clothing. Direct purchase and agency. Tedex Agenturer (agency), Nordhemsgatan 9, S-413 06 Goteborg. WTD 2/68.

227 Floor covering mills, products

ETHIOPIA—Carpets, rugs. Illustrated catalogs, prices, terms requested. Price quotations c.i.f. Ethiopian ports. Mr. Makonnen Assefa (importer, wholesaler, retailer), P.O. Box 637, Addis Ababa. WTD 8/68.

239 Fabricated textile products

IRAN—Tassels and tapes for curtains, furniture, upholstery. Abdollah Hakimzadeh & Sons, 11 Saray Rashti, Tehran. WTD 3/68.

242 Sawmills, planing mills

SPAIN—Lumber for ceiling, framing, partition, siding, for manufacturing wood furniture, wooden objects. Maderera Canaria, S.A. (manufacturer, exporter), Tomas Morales, 3, Las Palmas de Gran Canaria (Canary Islands). WTD 8/68.

249 Wood products

● **PAKISTAN**—Pinkado, Sal or any other suitable permanent-way hardwood railway sleepers for railroad. Tender document No. 37. Bid deadline Oct. 30.

Tender documents, which include Schedule of Quantities may be obtained from Coode and Partners, 2 Victoria Street, London, S.W.1, England on payment per set of a non-returnable sum of £20/; or from the Engineer-in-Chief-Karachi Port Trust, Karachi, West Pakistan, on payment of a non-returnable sum of Rs. 200/ per set—payment to be made to Habib Bank, Ltd., K.P.T. Karachi.

251 Household furniture

ETHIOPIA—Upholstered household furniture. Illustrated catalogs, prices, terms requested. Price quotation c.i.f. Ethiopian ports. Mr. Makonnen Assefa (importer, wholesaler, retailer), P.O. Box 637, Addis Ababa. WTD 8/68.

252 Office furniture

ETHIOPIA—Wood, metal office furniture. Illustrated catalogs, price, terms requested. Price quotation c.i.f. Ethiopian ports. Mr. Makonnen Assefa (importer, wholesaler, retailer), P.O. Box 637, Addis Ababa. WTD 8/68.

262 Paper mills, products

FRANCE—Non woven cellulose or other fiber sanitary tissues and beauty aids, such as facial tissues, applicators, cleaners. Direct purchase and agency. Interested in obtaining licensing rights for such products. Cypris, S.A. (manufacturer, wholesaler), 68 Soultz. WTD 9/68.

264 Converted paper, paperboard products

BELGIUM—Wallpaper, plastified. Direct purchase and agency. Mr. Jacques Ferrant (importer, wholesaler), 36 Rue Verheyleweghen, Brussels. WTD 8/68.

TANZANIA—Office stationery of all kinds. Direct purchase and agency. Viabro (importer, printer), P.O. Box 2144, Dar es Salaam. WTD in preparation.

279 Service industries for printing trade

BELGIUM—Photographs, commercial and artistic. Direct purchase and agency. Arts Appliques (photographer), 60 Rue L. Pasteur, Soumagne-Liege. WTD 8/68.

281 Industrial chemicals

SWEDEN—Industrial inorganic, industrial organic chemicals, raw chemicals, synthetic organic chemicals, biochemicals. Direct purchase and agency. Irenco, Irene Bier (agent, importer), 2 Skolgrand, S-117 24 Stockholm. WTD 8/68.

283 Drugs

SPAIN—Biological products such as proteins, vitamins, hormones, enzymes; chemicals employed in manufacturing pharmaceutical preparations. Requests replies in Spanish or French. Dr. Martin Santos, S.A. (manufacturer), Avenida de Gijon, 64, Valladolid. WTD 7/68.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

AUSTRALIA—Disposable chemically treated moist towelettes for hands, faces; disposable quick-dry shoe shine cloths; nail polish remover pads. Williams Marketing Corp. (importer, agent, distributor), 241 Pitt St., Sydney, N.S.W. 2000. WTD 7/68.

285 Paints, varnishes, lacquers, enamels

BELGIUM—Paints, industrial. Direct purchase and agency. Mr. Jacques Ferrant (importer, wholesaler), 36 Rue Verheyleweghen, Brussels. WTD 8/68.

THAILAND—Autobody plastic fillers. Direct purchase and agency. C.i.f. prices requested. International Import & Export Ltd. Partnership (importer, distributor), P.O. Box 980, Bangkok. WTD 12/67.

306 Fabricated rubber products

AUSTRALIA—Gloves: electricians, obstetric, surgeons; dry box gauntlets; colotomy tubing (latex dipping). Cecil E. Mayo, Pty. Ltd. (agent, distributor, importer), 235 Commonwealth St., P.O. Box 4107, Sydney, N.S.W. 2001. WTD 7/68.

SWEDEN—Life rafts, other marine equipment. Direct purchase and agency. Melcher Sawensten AB (agent, distributor, importer), 3 Tegnerlunden, S-111 61 Stockholm. WTD 8/68.

307 Plastic products

ITALY—Plastic products for mechanical, electromechanical, electronic industries. Direct purchase and agency. SEF Meccanotecnica (sales agent), 8 Via G. Ercolani, I 40122, Bologna. WTD 2/68.

311 Leather tanning, finishing

SWEDEN—Leather, artificial materials for ladies' handbags. Miles & Warnberg AB (manufacturer), Nya Nolhagsvagen 5, S-441 00 Alingsas. WTD 2/68.

319 Leather goods

BELGIUM—Chamois leather. Direct purchase and agency. Mr. Jacques Ferrant (importer), 36 Rue Verheyleweghen, Brussels. WTD 8/68.

329 Abrasive, asbestos, nonmetallic mineral products

BELGIUM—Sand-paper. Direct purchase and agency. Mr. Jacques Ferrant (importer, wholesaler), 36 Rue Verheyleweghen, Brussels. WTD 8/68.

331 Steel mill products

● **BURMA**—Galvanized iron pipe with socket, 32,600 Rft., in 9 diameter sizes ranging from ¼ in. to 4 in.; and wrought iron pipe with socket, 7,300 Rft., in 10 diameter sizes ranging from ⅜ in. to 4 in. Tender #MEIC/B/RLYS/15(T)3(ML-MC)68.69; bid deadline Oct. 10. The Government of the Union Burma, Union of Burma Railway Board, Rangoon.★ (Telephone: 202-967-2364).

● Pipe fittings, 4,976 items in 64 specifications. Tender #MEIC/B.RLYS/15(T)1(ML-MC) 68.69; bid deadline Oct. 10. The Government of the Union of Burma, Union of Burma Railway Board, Rangoon.★ (Telephone: 202-967-2364).

GERMANY—Hexagonal rolled steel pipe, free cutting steel 9 S Mn 28, approx. 3 m. long, 43-62 mm. major diameter, 17-37 mm. inner bore diameter, suitable for drawing, 30 to 40 tons monthly. Requests price quotations c.i.f. Hamburg, Bremen or Rotterdam. Requests replies in German. Ziahwerk Plettenberg GmbH. (manufacturer, wholesaler, exporter, importer). 597 Plettenberg/Westf., Postfach 57. WTD 8/68.

● **INDIA**—Four forged steel support lugs for Madras Atomic Power Project. Tender #BARC/P/CAP/1194; Bid deadline Oct. 18. Purchase and Stores, Bhabha Atomic Research Center, Mohatta Building, Palton Road, Bombay 1.

A copy of tender documents is available for inspection from the U.S. Department of Commerce, Iron and Steel Division-642, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

335 Rolling, drawing, extruding of nonferrous metals

● **BURMA**—Supply various brass mill products including brass wire gauge, brass wire, brass rod, copper sheet, and copper pipe. Bid deadline Oct. 17. Copies of tender available from the Copper Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230. (Telephone: 202-967-4717).

342 Cutlery, hand tools, general hardware

GERMANY—Mechanics' hand service tools. Direct purchase and agency. Bertram & Graf (importer, manufacturer), 24 Luebeck, Mengstrasse 38. WTD 8/68.

JAMAICA—Mechanics' metal-working, woodworking hand tools; hardware. Direct purchase and agency. Steve Ltd. (commission agency), 118 Barry St., Kingston. WTD 8/68.

SWEDEN—Marine hardware for yachts, other pleasure craft. Direct purchase and agency. Melcher Sawensten AB (agent, distributor, importer), 3 Tegnerlunden, S-111 61 Stockholm. WTD 8/68.

345 Screw machine products

● **PAKISTAN**—800,000 bolts and nuts for rail clips for the Pakistan Western Railway. Tender No. PR-I/68/TR/5, bid deadline Oct. 14.

Secretary, Railway Board, Government of Pakistan, PWR Headquarters, Empress Road, Lahore, West Pakistan.★ (Telephone: 202-967-5589).

351 Engines, turbines

MALAYSIA—Industrial, marine engines from 30 to 360 h.p. Direct purchase and agency. Phoenix Engineering & Development Sendirian Berhad (importer, wholesaler, retailer), 2

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 247-0311.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6331.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 20212, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6196.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3248.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, 18 Asylum St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Tel. 588-977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 228-0611.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 809 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

Jalan Haji Jacob, P.O. Box 1390, Kota Kinabalu, Sabah. WTD 8/68.

THAILAND—Gasoline engines, two or four stroke, 3-10 h.p., line not represented in Thailand. Illustrative literature, c.i.f. Bangkok prices requested. Sahavat Machinery Ltd. Partnership (wholesaler, retailer), 111 New Road, Samyod, Bangkok. WTD in preparation.

353 Construction, mining, materials handling machinery, equipment

● **BURMA**—One low bed loader, 40 tons capacity; and one forklift truck, 3 tons capacity. Tender No. T-13(T) PWC/68-69, bid deadline Oct. 5.

Revolutionary Government of the Union of Burma, Public Works Corp., No. 60, Shwedagon Pagoda Road, Rangoon.★ (Telephone: 202-967-5585).

● **SPAIN**—Ten leveler tampers-shifters; seven ballast shapers-equalizers; seven ballast rollers; two track auscultating go-devils. Specifications and bids preferred in Spanish. Financed with World Bank Loan granted to Spanish Railway Company, bid deadline Oct. 15. Sr. Jefe del Departamento de Instalaciones Fijas, R.E.N.F.E., Av. Ciudad de Barcelona 2, Madrid (7).

● **YUGOSLAVIA**—Two power shovels, crawler mounted, 2 cu. yd., diesel powered; three dozers, 250-300 h.p.

Tender No. SL. list #30. Bid deadline Oct. 22. Detailed specifications from Pomgrad, pomorsko gradjevno poduzece, Split/Radnicko setaliste 17.

● Bids asked for drills, tractor shovel-loaders, vibrating screens; bulldozer, 270 hp. hydraulic; motor grader, 160 hp. hydraulic.

Tender No. SL list #30. Bid deadline Oct. 22. Detailed specifications from RTB-BOR, Uvozna sluzba, Beograd/Knez Mihailova 11-15.

354 Metalworking machinery

JAMAICA—Machine tools. Direct purchase and exclusive representation. Steve Ltd. (commission agency), 118 Barry St., Kingston. WTD 8/68.

355 Special industry machinery

● **CEYLON**—Textile machinery, parts and attachments, including large quantities of shuttles, pirns, pickers, other related items. Bid deadline Nov. 16.

The Chairman, Tender Board, Department of Rural Development and Small Industries, Torrington Square, Colombo 7, Ceylon.★ (Telephone: 202-967-5585).

FRANCE—Machinery for butcher shops, meat processing and packing plants, institutions. Direct purchase and agency. Requests replies in French or German. Ets. Robert Fritsch (importing wholesaler), 7 Ave. de Cusset, 68 Sausheim. WTD 8/68.

THAILAND—Television tape manufacturing machinery. Mr. Manoosiri Kattija-ari, Project Manager, Bangkok Entertainment Co., Ltd., 5th Floor, Central Bldg., Silom Rd., Bangkok. WTD in preparation.

● **YUGOSLAVIA**—Four beer bottling lines of 40,000 bottles/hour capacity; pasteurizer, filters, refrigerating equipment for same capacity. A complete mineral water bottling line of 10,000 bottles/hour capacity.

Tender No. B-1025, S1. list #25, bid deadline Nov. 5. Beogradska industrija piva, i bezalkoholnik pica, (Urebdjaji za otakanje) Belgrade/bulevar, Vojvode, Putnika 3.

● Complete line for production of fenol-formaldehyde mass (type 30 and 31 according to DIN, or type GX acc. to BS), continual extruder process, granulation 92% in 0,1-1,0 mm granules. Capacity 280-350 kg/hour, 24 hrs. a day. One mill of 2,000 kg./hour capacity, with electromotor EH(S). Magnetic separator for the mill and a seave for formaldehyde mass of one ton per hour capacity.

Tender No. Z-524-SL. list #32, bid deadline Nov. 5.

Ing. Winter, Sektor za razvoj, Chromos-Katran-Kutrilin, Kemijski kombinat, Zagreb, Radnicka cesta 43.

● Eighty textile machines such as rolling, washing, dyeing, molding press, finishing, warping, doubling, measuring, sewing, and drying.

Tender No. S1. list #29, bid deadline Oct. 15. Tekig-Invest, Belgrade.

● Complete equipment for production of polyesters, with autoclave (digester) of 5,000 liters capacity, based on inductive heating.

Tender No. S1. list #31, bid deadline Oct. 29. Tehnometal, Export-Import, Novi Sad/Temerinska 12, Za Idol.

● Reconstruction and expansion of a cement plant: rotary kiln of 500 tons per day capacity; mill of 50 tons per hour capacity; cement mill of 35 tons per hour; two drying plants of 7.1 tons per hour; mill for white cement 4-5 tons per hour; reconstruction of two existing rotary kilns; two excavators with front shovel of 1-1.3 cu. m.

Tender No. S1. list #30, bid deadline Oct. 22. Istarske Tvornice Cementa i, hidratiziranog vapna, Pula/Bulevar B. Kidrica 10.

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● A complete line for the production of crackers, 3 tons per 8 hour shift.

Tender No. S1. list #30, bid deadline Oct. 22. Tvornica Keksa i vafla "Koestlin" Bjelovar/Senoina 21, Komisiji za ponude.

● Forty silk looms, ratio 1:1; and seven other textile machines.

Tender No. S1. list #30, bid deadline Oct. 22, 1968. Tekig Invest, Belgrade.

● Complete bottling line for soft drinks—automatic, capacity 14,000 bottles of 1/4 liter per hour, inclusive CO_2 process and should be able of handling one liter bottles.

Tender No. S1. list #30, bid deadline Oct. 22. Slovenija-vino, Ljubljana/Frankopanska 11, Razvojni sektor.

● Offset printing press, offset assembly desk, centrifugal sprayer for offset plates, copying fram pneumatic with xenon light, contact copying apparatus.

Tender No. S1. list #29, bid deadline Oct. 15. Grafika, Export-Import, Zagreb-Vinogradska 25.

● Complete line for production of plastic cups (for juices); extruder, mill, forming machine, hydraulic press, other related items.

Tender No. S1. list #29, bid deadline Oct. 15. Brodomaterijal, Export-Import, Sektor Uvoza, Rijeka/P.O.B. 396.

● Complete equipment for washing, filling, capping, pasteurization and labeling of 0.2 to 1 liter bottles, 10,000 bottles per hour (fruit syrups, soft drinks, alcoholic beverages).

Tender No. S1. list #31, bid deadline Oct. 29. PIK Budimka, Pozega/SR Srbija.

356 General industrial machinery

● **CEYLON**—Various sizes, types, and quantities of pump sets, rotary water meters, and globe valves. Bid deadline Nov. 1.

The Director of Irrigation, P.O. Box 1138, Bauddhaloka Mawatte, Colombo 7, Ceylon.★ (Telephone: 202-967-5585).

MALAYSIA—Centrifugal and axial flow pumps. Direct purchase and agency. Phoenix Engineering & Development Sendirian Berhad (importer, wholesaler, retailer), 2 Jalan Haji Jacob, P.O. Box 1390, Kota Kinabula, Sabah. WTD 8/68.

● **VENEZUELA**—Supply of water pumps, water meters, water filters, valves, chlorination and dosification equipment, sluice gates and other equipment for installation in a water treatment plant.

Tender Nos. 51351; 51353; and 51355. Bid deadline Oct. 21. Instituto Nacional de Obras Sanitarios INOS, Seccion Compras Exterior, Edificio La Paz, Avenida Andres Bello, Caracas.

357 Office, computing, accounting machines

TANZANIA—Stapling machines, pencil sharpners, duplicating machines, copying machines, modern office equipment, accessories, general office supplies, related products. Descriptive literature, price lists requested. Direct purchase and agency. Viabro (importer, printer), P.O. Box 2144, Dar es Salaam. WTD in preparation.

THAILAND—Dry process copying machines. Direct purchase and agency. Catalogs, c.i.f. prices requested. International Import & Export Ltd. Partnership (importer, distributor), P.O. Box 980, Bangkok. WTD 12/67.

● **YUGOSLAVIA**—Supply of electronic computer, central unit with interior programming—8K, with outside and auxiliary equipment.

Tender No. SL list #31, bid deadline Oct. 29. Tender documents available from: Masino-

Impex, Yagreb/Varsavska 9, II/3550/GA., Yugoslavia.

● Supply of one electronic computer with core memory 8K, interior programmed, with exterior auxiliary equipment. Decisive: warranty and organization of service.

Tender no. SL. list #30, bid deadline Oct. 22. Tender documents available from: Peko, Tovarna obutve, Trzic/SR Slovenia, Yugoslavia.

● Supply of data processing computers, with core memory 12K; automatically controlled card reader (600 cards/min.); printer of 600-900 cards/min.; puncher of 200-400 cards/min.; magnetic tape unit; three alphanumerical punchers; two alphanumerical verifiers; sorting equipment of 30,000-40,000 cards/hour capacity; five magnetic tape unfolding units. Quote in three copies.

Tender No. R-333-SL. list #32, bid deadline Nov. 5. Tender documents available from: Brodomaterijal, Export-Import (Sektor uvoza), Rijeka/P.O. Box 396, Yugoslavia.

358 Service industry machines

● **IRAN**—Supply of one unit electrical automatic dish washing machine, with all parts and attachments, capable of washing and drying 5,000 dishes per hour. Bid deadline Nov. 5. The Iranian Tobacco Monopoly, Tehran.★ (Telephone: 202-967-2939).

SWEDEN—Floor polishing machines, carpet cleaning machines, vacuum cleaners, industrial. Direct purchase and agency. AB Glas & Byggnadsrengoring (service company), 251 Johan Skyttes vag S-125 34 Alvsjo. WTD 8/68.

361 Electric transmission, distribution equipment

GERMANY—Potentiometers for entertainment and industrial electronics. Requests price quotations c.i.f. Hamburg or Bremen. Requests replies in German. Direct purchase and agency. W. Meier & Co. (wholesaler), 5 Koeln-Braunsfeld, Maarweg 66. WTD 8/68.

● **INDIA**—Supply of 11 units six channel direct writing oscillographs; five units two channel direct writing oscillographs; two units twelve channel optical recording oscillographs; recording paper, ink cartridges and squares; required by Research Designs and Standards Organization, Ministry of Railways, India.

Purchase will be made under AID loan No. 386-H-176. Bid deadline Oct. 16. Tender documents available free from the India Supply Mission, 2536 Mass. Ave., NW., Washington, D.C. 20008. Reference tender No. B-3202/AID.

363 Household appliances

ETHIOPIA—Household appliances. Illustrated catalogs, prices, terms requested. Price quotations c.i.f. Ethiopian ports. Mr. Makonnen Assefa (importer, wholesaler, retailer), P.O. Box 637, Addis Ababa. WTD 8/68.

364 Electric lighting, wiring equipment

GERMANY—Incandescent portable lamps, complete; general lamps and analytical lamps of ultraviolet lights; low pressure cells 2540 Agstroem and 3-4000 Agstroem; assemblies of prefabricated electric wiring sets. Direct purchase and agency. Telo-GmbH & Co., KG (importer, agency), 2351 Trappenkamp, P.O. Box 20. WTD 8/68.

JAMAICA—Electrical supplies. Direct purchase and agency. Steve Ltd. (commission agency), 118 Barry St., Kingston. WTD 8/68.

● **THAILAND**—Supply 20 sets photo-electric control relay, plug type: 500 sets street light control relay, single pole, mercury sealed contact; 20 sets same as above but with mounted receptacle for photo-electric control. Tender No. MEA-PSD-134, bid deadline Oct. 3.

Purchase and Stores Division, Metropolitan Electricity Authority, 121 Chakraphet Road, Bangkok, Thailand.★ (Telephone: 202-967-4241).

Demanding markets

As a U.S. producer selling in our domestic economy, you already are a supplier to the most demanding market in the world. Moving into the foreign market, you will benefit from the know-how you have acquired from previous experience, just as you will benefit from the assets of good judgment, tact, aggressiveness, and business acumen.

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LAWRENCE C. McQUADE, Assistant Secretary for Domestic and International Business, in "Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

365 Radio, television receiving sets

ETHIOPIA—Radio and television receiving sets. Illustrated catalogs, prices, terms requested. Price quotations c.i.f. Ethiopian ports. Mr. Malonnen Assefa (importer, wholesaler, retailer), P.O. Box 637, Addis Ababa. WTD 8/68.

366 Communication equipment

GERMANY—Assemblies of prefabricated radio sets, parts. Direct purchase and agency. Telo-GmbH & Co. KG (importer, agency), 2351 Trappenkamp, P.O. Box 20. WTD 8/68.

● **TURKEY**—Supply of 2000 line telegraph exchange equipment. Bid deadline Dec. 20. Procurement Department, PTT General Directorate, Ankara. Bid specifications in English may be obtained from Modern Translation Bureau, Karanfil Sokak 49/1, Yenisehir, Ankara, for $18 including airmail postage.

367 Electronic components, accessories

GERMANY—Electronic tubes, transistors, diodes, condensers, resistors for entertainment and industrial electronics. Requests price quotations c.i.f. Hamburg or Bremen. Requests replies in German. Direct purchase and agency. W. Meier & Co. (wholesaler), 5 Koeln-Braunsfeld, Maarweg 66. WTD 8/68.

THAILAND—Component parts for TV receiving sets. Mr. Manoonsiri Kattija-ari, Project Manager, Bangkok Entertainment Co., Ltd., 5th Floor, Central Bldg., Silom Rd., Bangkok. WTD in preparation.

369 Miscellaneous electrical machinery, equipment, supplies

● **YUGOSLAVIA**—Supply of one therapeutical cobalt bomb, with maximum head protection, source 60 cobalt, 3,000 curies, or more.

Tender No. Z-528-SL. list #32, bid deadline Nov. 5. Tender documents available from Yugosanitarija, Export-Import (5/Co), Yagreb/Djordjiceva 31, Yugoslavia.

371 Motor vehicles, motor vehicle equipment

GERMANY—Spare parts, accessories for passenger cars, trucks, buses. Direct purchase and agency. Hans Pfefferkorn (importer, agent), 3452 Bodenwerder, P.O. Box 4. WTD 8/68.

381 Engineering, laboratory, scientific, research instruments

GERMANY—Spectro-fluorometers; densitometers; biological testing instruments; amplifiers; integrators; temperature programming equipment for gas chromatographs; titrating automats; potentiometric recorders; infra-red spectrophotometers and analyzers; colorimeters. Direct purchase and agency. Dr. Virus Vertriebs-GmbH (agent, distributor, importer, exporter), 12 Kekulestrasse, 53 Bonn. WTD 8/68.

382 Instruments for measuring, controlling, indicating physical characteristics

● **BURMA**—Supply of earth resistance testers; insulation resistance testers; portable power factor meters; frequency and standard watt meters; primary injection, relay, and insulation oil testers.

Tender No. 59 (T)/EL-ESB/(REH)/67-68, bid deadline Oct. 8. Government of the Union of Burma, Electricity Supply Board, Central Stores Department, Rose Bank Road/Ahlone, Rangoon.★ (Telephone 202-967-2939).

● **SINGAPORE**—Tenders will be invited later in 1968 for the supply of about 40,000 ½-inch positive displacement rotary piston type water meters.

Firms interested in tendering should submit without charge 20 units (which will be returned after tests are completed) of the meters they intend to offer, as samples for bench and field tests lasting about four months. Further particulars concerning specifications and procedure of tests may be obtained from Messrs. Allen and Williams, 32 Sloane St., London,

S.W. 1, England, or from Chief Water Engineer, Public Utilities Board, St. Andrew's Road, Singapore 6.

Sample meters are to be sent direct to the Water Dept., Public Utilities Board, Singapore, so as to reach the Department on or before Oct. 25, or they will not be accepted for the specified tests.

Firms whose meters have been found to comply with requirements will subsequently be notified of that fact, and, on payment of the usual tender deposit, will be issued with tender documents. Procurement of water meters is part of extensive project to expand and modernize Singapore's water system.

SWITZERLAND—Mechanical, electronic measuring instruments, equipment. Agency and direct purchase. Terratest SA (distributor), P.O. Box 1028, 1000 Lausanne. WTD 5/68.

Vacuum instrumentation; vacuum pumps; vacuum pressure apparatus including spectrometers; vacuum valves; heat insulation equipment; liquid nitrogen and helium containers, fittings, related equipment. Direct purchase and agency. Roxer S.A. (manufacturer, distributor), 36 Ave. Charles-Naine, 2300 La Chaux-de-Fonds. WTD 7/68.

383 Optical instruments, lenses

GERMANY—Fire polished glass filters based on mercurial lines of 2540 Agstroem and 3-4000 Agstroem. Direct purchase and agency. Telo-GmbH & Co., KG (importer, agency), 2351 Trappenkamp, P.O. Box 20. WTD 8/68.

384 Surgical, medical, dental instruments

AUSTRALIA—Diagnostic apparatus, physicians'. Cecil E. Mayo Pty. Ltd. (agent, distributor, importer), 235 Commonwealth St., P.O. Box 4107, Sydney, N.S.W. 2001. WTD 7/68.

394 Toys, amusement, sporting goods

SWITZERLAND—Swimming pool accessories, such as skimmers, cleaning agents and equipment, underwater lights, chemicals and water purity measuring apparatus. Bieri Pumpenbau AG (manufacturer, distributor), 3110 Munsingen. WTD in preparation.

395 Pens, pencils, office, artists' materials

TANZANIA—Pens, pencils, ballpens, desk sets, felt markers, stamp pads and ink, stencils, carbon papers, correcting tapes, all other office requisites. Direct purchase and agency. Viabro (importer, printer), P.O. Box 2144, Dar es Salaam. WTD in preparation.

399 Manufacturing industries

AUSTRALIA—Business advertising gifts, including but not limited to following: pens, leathergoods, novel key rings of all types, materials, bottle openers and can piercers, bookmatches, welded and moulded plastic novelty items, metal novelty items, novelty jewelry. Requests prices, samples c.i.f. Sydney and/or Newcastle. Mr. D. K. Johnston (manufacturer, retailer, agent, distributor), P.O. Box 35, New Lambton, N.S.W. 2305. WTD 8/68.

Premiums such as small gift items suitable for in-package use; band-ons; self-liquidating novelty items. Williams Marketing Corp., Pty. Ltd. (manufacturer, retailer, agent, distributor, exporter, importer), 241 Pitt St., Sydney, N.S.W. 2000. WTD 7/68.

AUSTRIA—Window display materials of all kinds. Direct purchase and agency. Mikus (importer, distributor, retailer), Rotenturmstrasse 14, A-1010 Vienna. WTD 8/68.

BELGIUM—Paint brushes, paint rollers. Direct purchase and agency. Mr. Jacques Ferrant (importer, wholesaler), 36 Rue Verheyleweghen, Brussels. WTD 8/68.

SWEDEN—Metal frames, locks, fittings for ladies' handbags. Miles & Warnberg AB (manufacturer), Nya Nolhagsvagen 5, S-441 00 Alingsas. WTD 2/68.

504 Groceries

HAITI—Biscuits; preserves; jellies; margarine; canned meats; frozen meats. Alphonse Maguet (manufacturers' agent), Laham's Bldg., Rue des Fronts Forts, P.O. Box 366, Port-au-Prince. WTD 8/68.

505 Farm products—raw materials

SWITZERLAND—Hops, other brewery raw materials. Direct purchase and agency. Dr. Fritz Kutter (importer, agent), Mythenquai 22, 8002 Zurich. WTD 8/68.

781 Motion picture production, distribution

THAILAND—TV movie films. Mr. Manoonsiri Kattija-ari, Project Manager, Bangkok Entertainment Co., Ltd., 5th Floor, Central Bldg., Silom Rd., Bangkok. WTD in preparation.

Argentina seeks bidders to build dam, aqueduct

Direccion de Obras Sanitarias de la Provincia de Buenos Aires, a provincial government entity engaged in water distribution, invites bids on the construction of a dam and an aqueduct between Paso de las Pietras and the city of Bahia Blanca, in the province of Buenos Aires. The cost of the project (Tender No. 55) is estimated at 3,375,102,548 Argentine pesos (approx. $9,643,150).

Bid deadline is October 30, 1968.

Copies of conditions and technical specifications may be obtained from: Direcciones de Obras Sanitarias, Departamento Administrative (Division Despacho), Calle 7, Entre 58Y59, 4 Piso, La Plata, Province of Buenos Aires. However, tender documents cannot be released until a 300,000 peso deposit (about $857) is made with Banco de la Provincia de Buenos Aires, La Plata, to the order of Tesoreria de la Provincia O/Contador y Tesorero.

Syria plans road improvement

The Government of Syria invites road construction contractors to register to bid on an improvement project of the Damascus-Aleppo-Rakka Road (about 107 miles in length).

Registration deadline is Oct. 15.

Information may be obtained from the Ministry of Communications, Damascus, Syria.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

272 Periodicals: publishing, printing

NETHERLANDS—Medical journals. Representations for Western Europe, Israel. Universitaire Boekhandel Nederland (distributor, importer, exporter), 11 Oosterstraat, Groningen. WTD 8/68.

273 Books

NETHERLANDS—Medical books, other medical educational materials such as slides, stereoscopic reels, records. Representations for Western Europe, Israel. Universitaire Boekhandel Nederland (distributor, importer, exporter), 11 Oosterstraat, Groningen. WTD 8/68.

281 Industrial chemicals

SPAIN—Chemical and pharmaceutical raw materials, as well as raw materials to manufacture veterinary products. Supplies requested in bulk. Cimex, Frithjof Linaae (distributor), San Julio 13, Madrid (2). WTD 6/68.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

SWITZERLAND—Deodorants for public conveniences, disinfectants. Fr. O. Schnyder (importer, distributor), Gladbachstr. 30, 8038 Zurich. WTD 8/68.

306 Fabricated rubber products

GUATEMALA—Miscellaneous rubber and plastic products for laboratory, general hospital use. Arno Hopp (manufacturers' representative), Pasaje Fenix, 8a. Calle 7-46, Zona 1, Apartado Postal 532, Guatemala City. WTD 1/68.

356 General industrial machinery

NETHERLANDS—Fire protection equipment, sprinkler systems. Exclusive representations for Benelux countries. N. V. Machinefabriek de Bruijn (manufacturer, importer, exporter), P.O. Box 92, Enschede. WTD 8/68.

358 Service industry machines

NETHERLANDS—Air conditioning equipment. Exclusive representations for Benelux countries. N. V. Machinefabriek de Bruijn (manufacturer, importer, exporter), P.O. Box 92, Enschede. WTD 8/68.

363 Household appliances

NETHERLANDS—Ventilators and heating units. Exclusive representations for Benelux

countries. N. V. Machinefabriek de Bruijn (manufacturer, importer, exporter), P.O. Box 92, Enschede. WTD 8/68.

364 Electric lighting, wiring equipment

SWITZERLAND—Ultra-violet germicidal lamps. Fr. O. Schnyder (importer, distributor), Gladbachstr. 30, 8038 Zurich. WTD 8/68.

374 Railroad equipment

PAKISTAN—Diesel locomotive for Pakistan Western Railways (PWR)—broad gauge. Requests catalogs, quotations c.&f. Karachi. Ruby General Industries (importer, indenting agent), 601 Qamar House, Bunder Rd., Karachi. WTD in preparation.

381 Engineering, laboratory, scientific, research instruments

PAKISTAN—Water testing instruments, apparatus. Requests catalogs, quotations c.&f. Karachi. H. B. Sayeed Ltd. (importer, manufacturer, indenting agent), 23 Elphinstone St., Karachi 3. Attn.: Mr. Z. A. Mansuri, Mgr. WTD 4/67.

382 Instruments for measuring, controlling, indicating physical characteristics

PAKISTAN—Water flow meters, water flow recording devices and flow tubes, pressure gauges. Requests catalogs, quotations c.&f. Karachi. H. B. Sayeed Ltd. (importer, manufacturer), 23 Elphinstone St., Karachi 3. Attn.: Mr. Z. A. Mansuri, Mgr. WTD 4/67.

384 Surgical, medical, dental intruments

ISRAEL—Atomizers for biological work; micromizers for virus work; freeze-drying equipment; vacuum measurement equipment, related chemicals. Representation and distribution on exclusive basis. Morly Ltd. (manufacturer), 13 Prophets St. (Rehov Haneviim), Haifa. WTD 8/68.

Leads for Importers

Commodities are offered direct unless specified

242 Sawmills, planing mills

MALAYSIA—Malaysian timber: ramin, jongkong, m.l.h. seraya, kapor, singawan. Direct sales or through agent. K.T.S. & Co. Ltd. (distributor, exporter), No. 17 Raminway, P.O. Box No. 332, Sibu, Sarawak. WTD 8/68.

243 Millwork, veneer, plywood, prefabricated structural wood products

MALAYSIA—Wooden door and window frames, custom made. Direct sales or through agent. Ngie Sing Furniture Maker (manufacturer, retailer, exporter), 16 Island Rd., Sibu, Sarawak. WTD 8/68.

314 Footwear, except rubber

MALAYSIA—Leather shoes, slippers. Direct sale or through agency. Messrs. C. Lam Trading Co. (manufacturer, distributor), 85, Sultan St., Kuala Lumpur. WTD 8/68.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

BRAZIL—Camillo A. Steiner, Fundinor—Northeast Industrial Development Foundation, Av. Conde da Boa Vista, 85 -s/1002, Recife, Pernambuco, Brazil. **Interested in explaining Northeast Brazil's financial and fiscal incentives to potential investors. Also interested in discussing joint venture or licensing possibilities with brake lining manufacturers.**

Sept. 23 via Houston for approximately six weeks. c/o 2580 South Marion, Denver, Colorado 80210. Itinerary: Houston, Dallas, Salt Lake City, Los Angeles, San Francisco, Chicago, New York, and Denver. WTD 9/68.

IRELAND—Thomas Jackson, Oresto Products, North Abbey St., Cork, **interested in methods of manufacturing bedding, upholstery and furniture.** September 29 via New York for 21 days. Itinerary: New York and Chicago. WTD 8/68.

SOUTH AFRICA—Kenneth P. Marcus, Dir., Frederick C. Marcus and Co. (Pty.) Ltd., P.O. Box 3039, Cape Town, **interested in direct purchase and agency representation. Surgical and medical instruments and sundries, electro-medical, electronic items.**

November 13 via Chicago for approx. one month. c/o Sheraton Motor Inn, 12th Ave. 42nd St. New York, N.Y. 10036; c/o Tudor Hotel, 304 East 42nd St., New York, N.Y.; or c/o Mr. V. L. Marcus, 1200 California St., San Francisco, Calif. 92109. Itinerary: Chicago, Madison, Washington, D.C., Miami, New York, Rochester, Toledo, San Francisco, and Los Angeles. WTD 4/68.

SWITZERLAND—Silver Menasse, 24 Ave. C. F. Ramuz, 1009 Pully, Lausanne. Motorboat and Marine Equipment—Marketing Coordinator for Europe. **Interested in yachts, depth sounder, compass, engine, automatic pilots, radar and radio-telephone, silencer, loud hailer, trim tabs, evaporator.**

Sept. 18 via Chicago for 15 days. c/o Kenyon Marine, Guilford, Connecticut 06437. Itinerary: Chicago, Guilford, N.Y. WTD 4/68.

NOTE: Another group of travelers reaching the U.S. has important sales information for American firms. Itinerary of returning U.S. Commercial Officers, holding business consultations at various U.S. Department of Commerce Field Offices, is reported each week in the "Calendar for International Traders" on the inside back cover.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

COLOMBIA—The Inter-American Development Bank has approved a loan equivalent to $9.1 million to help finance a **program to build 7,311 housing units and their respective community services mainly in four Colombian cities—Bogota, Cali, Medellin and Barranquilla.** The borrower is the Instituto de Credito Territorial (ICT), an autonomous public agency created in 1939 to carry out governmental urban renewal and housing programs for low-income families.

In addition to 7,091 housing units which will be built by ICT itself, the program provides for the construction of 220 units in Bogota by the Corporacion Pro-Vivienda "Minuto de Dios," a private non-profit organization. This sub-program will be carried out with a $600,000 credit extended by ICT from the Bank's loan.

The program, which will be carried out within the framework of the Alliance for Progress, will cost $25 million. The Bank will contribute 36.4% of that amount; ICT, 31.6%; Minuto de Dios, 1.2%; the beneficiaries, 18.8%, and others, including employers, building firms and other third parties, 12%.

The program provides for the construction of various community services including also schools, small stores and park areas.

Interested firms should communicate with Instituto de Credito Territorial, Carrera 13, No. 18-51, Bogota D. F., Colombia.

TURKEY—World-wide bids are to be requested in October or November for **construction of the Eurasia (Bosphorus) Bridge.** This project was announced in INTERNATIONAL COMMERCE, Mar. 25, page 33.

The bulk of the $22 million foreign exchange cost for the Eurasia Bridge and the $6.8 million foreign exchange cost for the Golden Horn Bridge will be for structural steel and cable. Of the $10 million in foreign exchange for road construction, the major part is for construction equipment. In answer to a question, the briefing officials stated that Turkish steel could not be used in the bridges.

Although detailed studies and design have not been completed, a booklet describing the project including data sufficient to suggest its scope has been prepared. A limited number of copies are available on a five-day loan basis from the U.S. Department of Commerce, International Liaison and Trade Opportunities Staff, BDSA-618, Washington, D.C. 20230.

☆ U. S. GOVERNMENT PRINTING OFFICE 1968—341-988/11

Calendar *for international traders*

ATLANTA—Oct. 10—In-Office Export Conference, Commerce Field Office, 10 a.m.

BALTIMORE—Oct. 7—Businessmen's Consultation, **Joseph A. Harary, Commercial Officer, Djakarta.** Sponsor: Commerce Field Office.

BLOOMINGTON, Ind.—Oct. 6-9—Residential Seminar on Export Trade & the Small Manufacturer. Sponsors: University of Indiana, Commerce Field Office, REEC, Indiana Dept. of Commerce, Small Business Administration.

BLUEFIELD, W. Va.—Oct. 9—International Trade Seminar, Conference Room, Chamber of Commerce, 10 a.m. Sponsors: Commerce Charleston Field Office, REEC, Chamber of Commerce, Small Business Administration.

BROOKLYN—Oct. 9—First lecture of 7-week course on Planning & Organizing for International Trade, College of Business Administration, Long Island U., Zeckendorf Campus. Sponsors: Commerce N.Y. Field Office, REEC, L.I.U.

CHICAGO—Oct. 8—Automotive Exporters' Club of Chicago, Builders Bldg.

CHICAGO—Oct. 9—In-Office Meeting, Commerce Field Office.

CHICAGO—Oct. 10—International Trade Club of Chicago, La Salle Hotel.

CINCINNATI—Oct. 1—Luncheon meeting on international marketing, Cincinnati Club, 12 noon. Speaker: **Felix Turel, Commerce Field Office.** Sponsor: American Marketing Assn., Cincinnati Chapter.

CLEVELAND—Oct. 3—Cleveland World Trade Assn. luncheon meeting, Mid-Day Club, Union Commerce Bldg., 12 noon.

DETROIT—Oct. 8—Export Marketing Workshop, Commerce Field Office, 9:30 a.m. Sponsors: Commerce Field Office, REEC.

LITTLE ROCK, Ark.—Oct. 9—Invest-in-the-U.S.A. Workshop, Medical Auditorium, U. of Arkansas. Speaker: **Frank W. Shaeffer, Office of International Investment, Commerce Dept.** Sponsors: Commerce Memphis Field Office, Arkansas Industrial Development Commission.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,
International Commerce
BIC-204
U.S. Department of Commerce
Washington, D.C. 20230.

LOS ANGELES—Oct. 3—Businessmen's Consultation, **Robert A. Brown, Commercial Attache, Copenhagen.** Sponsor: Commerce Field Office.

MEMPHIS—Oct. 3—Export Workshop, National Bank of Commerce. Sponsors: Commerce Field Office, REEC, National Bank of Commerce.

MEMPHIS—Oct. 10—Invest-in-the-U.S.A. Workshop, Federal Office Bldg. Speaker: **Frank W. Shaeffer, Office of International Investment, Commerce Dept.** Sponsors: Commerce Field Office, Memphis Area Chamber of Commerce.

MEMPHIS—Oct. 15—World Trade Club annual Port of New Orleans Night, Hotel Claridge.

NEW YORK—Oct. 7-8—20th Annual Conference on Asia, Americana Hotel. Luncheon speaker, Oct. 7: Dean Rusk, Secretary of State. Luncheon speaker, Oct. 8: Najeeb Halaby, Pres., Pan American World Airways. Sponsor: Far East-America Council of Commerce & Industry.

NEW YORK—Oct. 9-10—Businessmen's Consultation, **Joseph A. Harary, Commercial Officer, Djakarta.** Sponsor: Commerce Field Office.

NEW YORK—Oct. 15—International Executives Assn. luncheon, Hotel Statler Hilton.

PHILADELPHIA—Oct. 1—Export Sales & Management Course, "Locating the Market & the Customer," Temple University, 7:30 p.m.

PHILADELPHIA—Oct. 8—Businessmen's Consultation, **Joseph A. Harary, Commercial Officer, Djakarta.** Sponsor: Commerce Field Office.

ST. LOUIS—Oct. 1—"Show You" Export Workshop, Conference Room, Federal Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

SAVANNAH—Oct. 3-4—Georgia Foreign Trade Conference, Savannah Inn & Country Club. Sponsor: Commerce Field Office.

TRENTON—Oct. 4—Delaware Valley International Trade Assn. monthly meeting, Don Young's Restaurant, 12:15 p.m.

WASHINGTON, D.C.—Oct. 4-5—The United States & the Middle East, 22nd annual conference of the Middle East Institute, Georgetown University.

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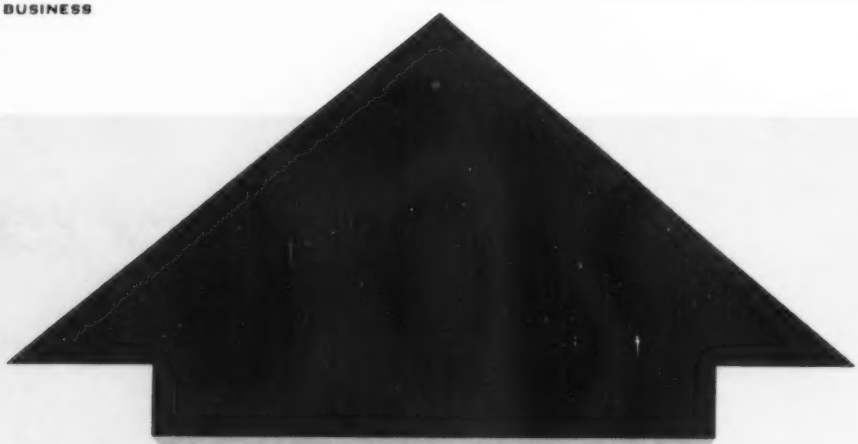

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